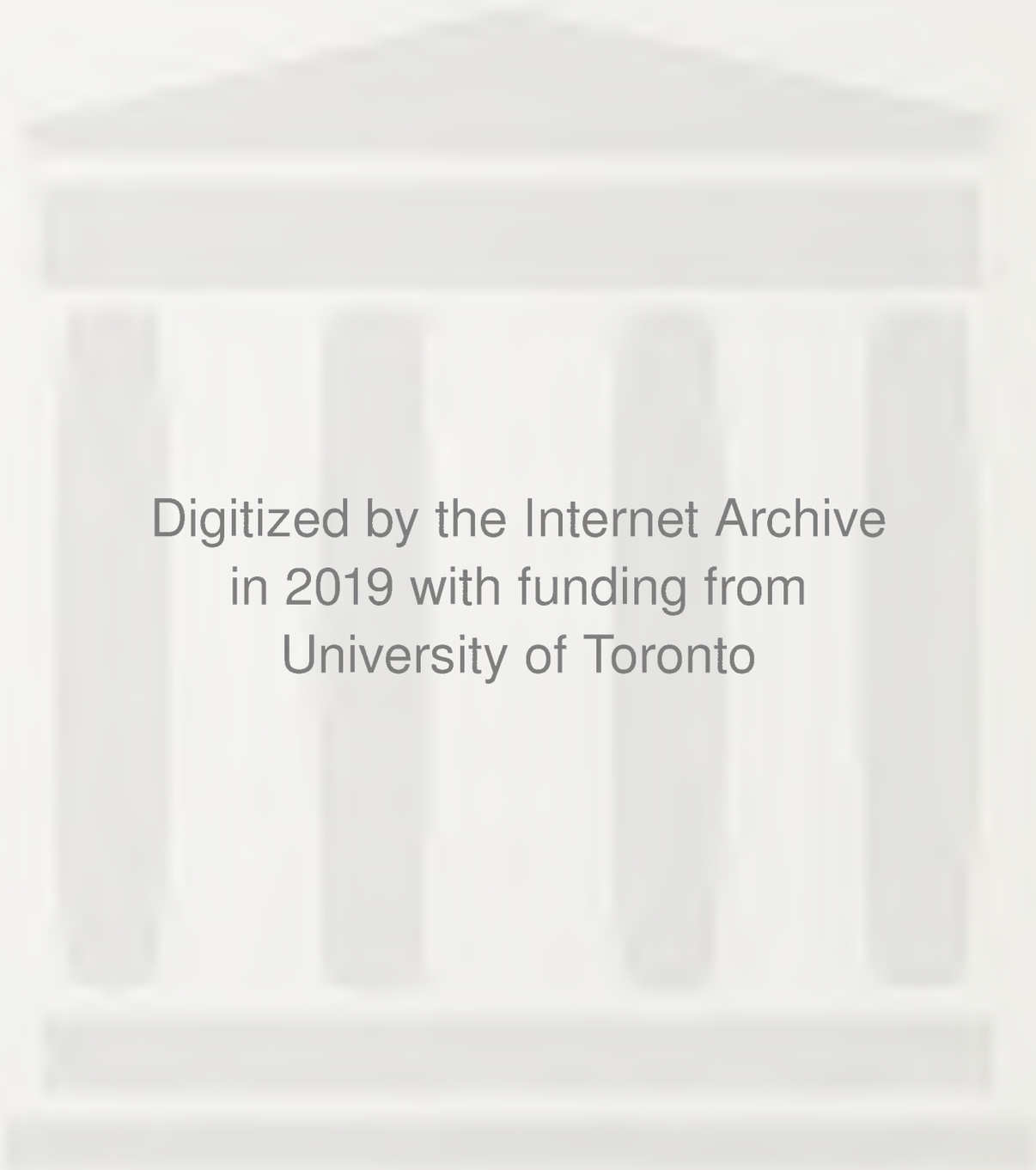

INDUSTRIAL PROSPECTS

in the

CITY OF TORONTO

CITY OF TORONTO PLANNING BOARD
METROPOLITAN TORONTO INDUSTRIAL COMMISSION
JUNE 1965

CITY OF TORONTO PLANNING BOARD

129 ADELAIDE STREET WEST, TORONTO 1, PHONE NO. 367-7182

Commissioner of Planning and Secretary-Treasurer: M. B. M. LAWSON

June, 1965.

This study concerning industry and its location is the second in a series undertaken by the City of Toronto Planning Board. It was preceded by "Industry and Warehousing in the City of Toronto" by Drs. Donald Kerr and Jacob Spelt, published in April 1961. The previous study was based on a city-wide sample survey and provided a general picture of the nature and condition of industry in the City. It was not intended to provide detailed information on the amount and kind of new industrial floor space that might be built in the City, nor to provide the basic information necessary for detailed industrial renewal proposals.

The present study on industrial prospects is intended to fill the gap and provide the factual basis for renewal proposals in older industrial areas of the City.

The undertaking of this essential survey would not have been possible without the enthusiastic co-operation of the Metropolitan Toronto Industrial Commission. Their assistance in covering the cost of the early stage of the survey and the advice and intimate knowledge of the local industrial situation provided by the General Manager, W.A. Willson were indispensable to the success of the survey. They have in fact been joint sponsors of this report and though the Planning Board has been responsible for its preparation the Metropolitan Industrial Commission supports and approves of its publication.

Acknowledgment must also be made of another group without whose assistance this survey could not have been undertaken. These are the 107 owners and managers in the Duke-Duchess Area, the 70 in the Bathurst-Niagara Area, and 24 now in widely scattered areas who had previously been located in the Survey Areas. They were, with very rare exceptions, uniformly helpful and willing to spend considerable time in answering detailed questionnaires.

This study is a factual one, intended primarily to provide a sound basis for future planning proposals. However it is expected to be useful as well to industrialists and businessmen, and indeed to anyone who is concerned with the future of an important segment of the Central City area. As such this report

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CITY HALL
OPENING CEREMONIES
SEPT. 13-18 1965

assists one of the important functions of the Planning Board which is to study the nature of the City and to help create an informed and aware public.

Its main purpose, however, is to provide the information which is necessary to make a realistic appraisal of industrial needs and to formulate policies designed to create a healthier industrial climate.

W. Harold Clark
Chairman

INDUSTRIAL PROSPECTS

in the

CITY OF TORONTO

City of Toronto Planning Board

Metropolitan Toronto Industrial Commission

June 1965

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DEFINITIONS

In a technical report a problem arises because certain commonly used words are employed in a specific and restricted way. In the present report the following conventions have been adopted.

Firm - A single industrial operation

Industry - A defined group of industrial firms of a similar nature - e.g. Garment, Textile and Leather Industry

Industries - refers to the three major industrial categories - manufacturing, wholesale and service.

Capitalized Words - used to refer to specific defined and mapped Survey Areas and Industrial Areas established either in the 1961 study or in the present study.

CHAPTER I

PURPOSE, DESCRIPTION AND MAJOR CONCLUSIONS OF THE STUDY

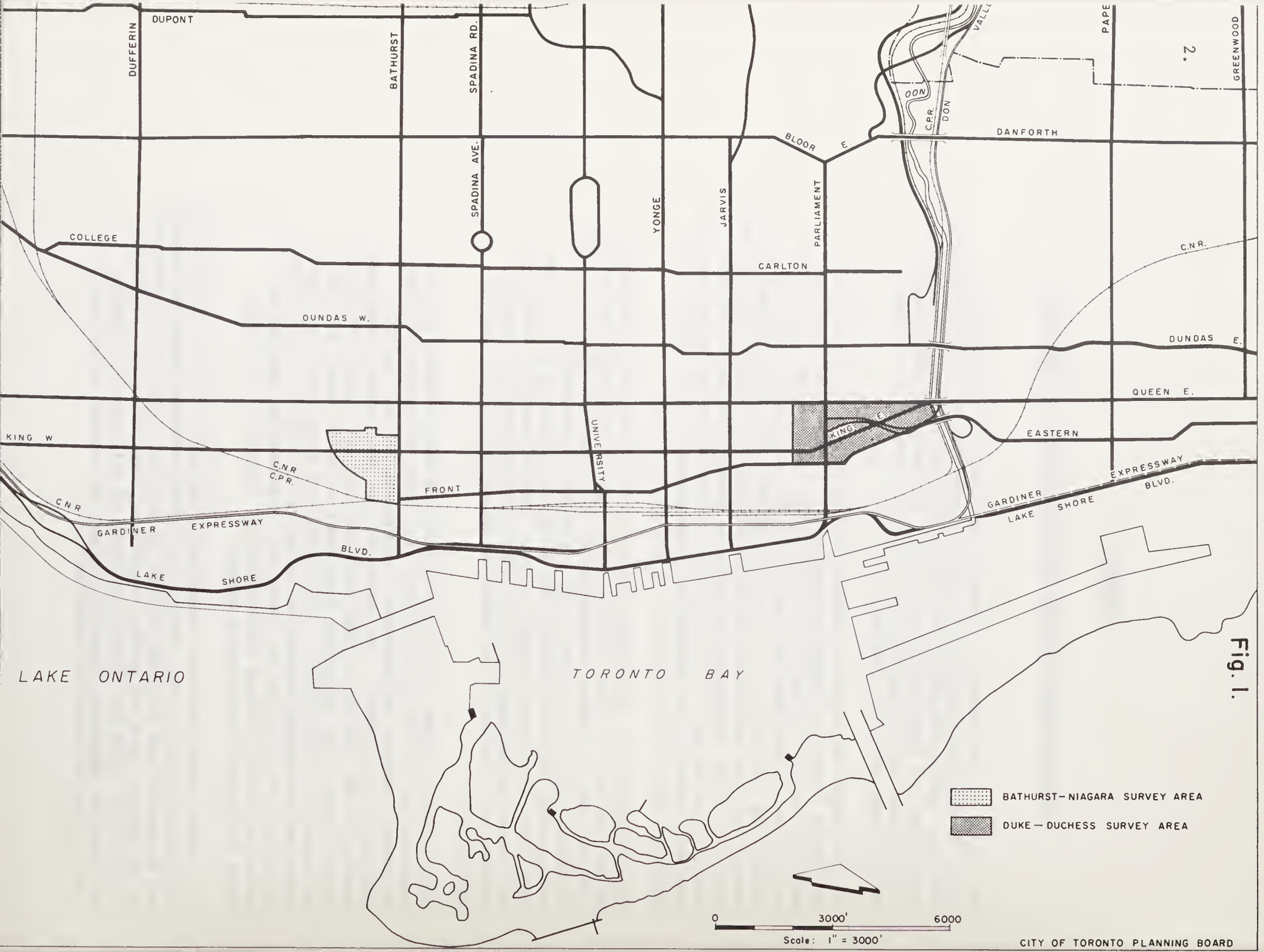
This report is the second in a series dealing with the industrial sector of the City's economy. It was preceded in 1961 by the report "Industry and Warehousing in the City of Toronto", prepared by Doctors Donald Kerr and Jacob Spelt for the City of Toronto Planning Board. It will serve as the basis for proposals for renewal in the Duke-Duchess Area, which will follow.

The 1961 study was based on a sample survey of 1026 of the City's industrial firms. Its scope was city-wide. It described the type and distribution of industries in the City, the importance of various facilities to industries and the reasons for which some firms were considering moving from their city locations. The study provided an insight into the general situation and condition of industry across the City, but it was not within its scope to measure the demand for new industrial sites and floor space, nor to investigate the conditions and economic feasibility of industrial construction on lands which, as is generally the case in the City, are already developed.

The main purpose of the present study was to further the findings of the earlier one in these respects: to evaluate the reasons for moving from the City, to assess the possibility of industrial expansion, and to identify conditions under which industrial expansion could, if it were desired, be accomplished. The study was therefore directed to areas where substantial amounts of poor quality housing, often zoned for industrial purposes and surrounded by industrial development, provided an opportunity for industrial expansion should a need be established.

Two areas were chosen - the Bathurst-Niagara Area, located west of downtown, and the Duke-Duchess Area lying east of downtown. These contained a mixture of commercial, industrial and poor quality residential development. The industries too were varied, large and small with the mixture of types characteristic of central industrial areas. Many of the industrial structures in these areas, were old and apparently obsolescent. Every industrial firm in the two survey areas was interviewed during the latter part of 1963. Co-operation on the part of the firms was excellent. Information provided by owners and senior company representatives during the interviews, forms the basis of the present report.

The present study considers industrial development in broad perspective. The detailed study of two central city Areas examines industries' needs and movements, and by tying in with the previous study permits forecasts of the amount, kind and general location of new industrial development in the City. With the material provided by this report, planning policies for individual industrial Areas can proceed in the context of broad city-wide trends and potentials.


DUPONT
DUFFERIN
BATHURST
SPADINA RD.
SPADINA AVE.
YONGE
JARVIS
PARLIAMENT
DON VALLEY
C.P.R.
DON
PAPE
GREENWOOD
BLOOR E.
DANFORTH
COLLEGE
CARLTON
C.N.R.
OUNDAS W.
DUNDAS E.
QUEEN E.
KING W
KING E.
EASTERN
UNIVERSITY
C.N.R
C.P.R.
FRONT
C.N.R
GARDINER EXPRESSWAY
BLVD.
LAKE SHORE
GARDINER EXPRESSWAY
BLVD.
LAKE SHORE
LAKE ONTARIO
TORONTO BAY
BATHURST-NIAGARA SURVEY AREA
DUKE-DUCHESS SURVEY AREA
0
3000'
6000
Scale: 1" = 3000'
CITY OF TORONTO PLANNING BOARD

2.

Fig. 1.

Conclusions were drawn from the study with regard to the two particular Areas that were surveyed and also for the City as a whole. In the latter category the following are of chief importance:-

Proximity to downtown is an important advantage for many industrial firms because of the convenience it affords in serving customers. A central location is also an advantage because it places industry at the hub of the labour pool, with good public transit available for employees. It also provides a wide range of specialized services, readily available to smaller firms. These advantages are particularly pronounced for businesses which are just starting up; the periphery of downtown accordingly provides an important piece for the birth of new industrial firms.

- In spite of these advantages many firms move from central industrial areas to the suburbs. The major reason for this movement is the need for space of the size, kind and price that can not be readily obtained in central industrial areas. The need for additional space was the major reason given by those firms who had already moved from the areas and for those who were contemplating it.

- In almost all cases, industrial firms expressed a preference for a one-floor operation but only among service industries was it important for this one-floor to be at ground level. This desire to obtain relatively large areas on one floor was a contributory factor to the decision to move from the area.

- A majority of manufacturing and wholesale firms appeared interested in the possibility of occupying space in the study Areas in modern multi-storey industrial buildings. The acceptable rental level for such space appeared to average $1.00* per square foot per annum and has an upper limit of $1.50* per square foot.

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* These figures include heat, property tax and insurance.

- There was evidence that the present parking requirements of the zoning by-law inhibited construction of new manufacturing space because of the cost factor and that existing requirements were greater than necessary. However, in wholesale and service industries it appeared that by-law requirements were below their needs and upward revisions are necessary.

- From the information available it was apparent that if multi-storey industrial buildings can be constructed to rent at the indicated range of between $1.00 and $1.50 per square foot per annum, a potential of perhaps half a million square feet of new industrial floor space could be realized by retaining in City locations those firms which otherwise would move to the suburbs.

- At the same time the study made it apparent, that with the exception of specialized areas such as the Junction, the more outlying Industrial Areas of the City of Toronto afforded less opportunity for new industrial construction since they were not considered to have had a sufficiently central location to afford an advantage over a suburban site with respect to market, labour pool and public transit.

CHAPTER II

CHARACTERISTICS OF THE SURVEY AREAS AND THEIR INDUSTRIES

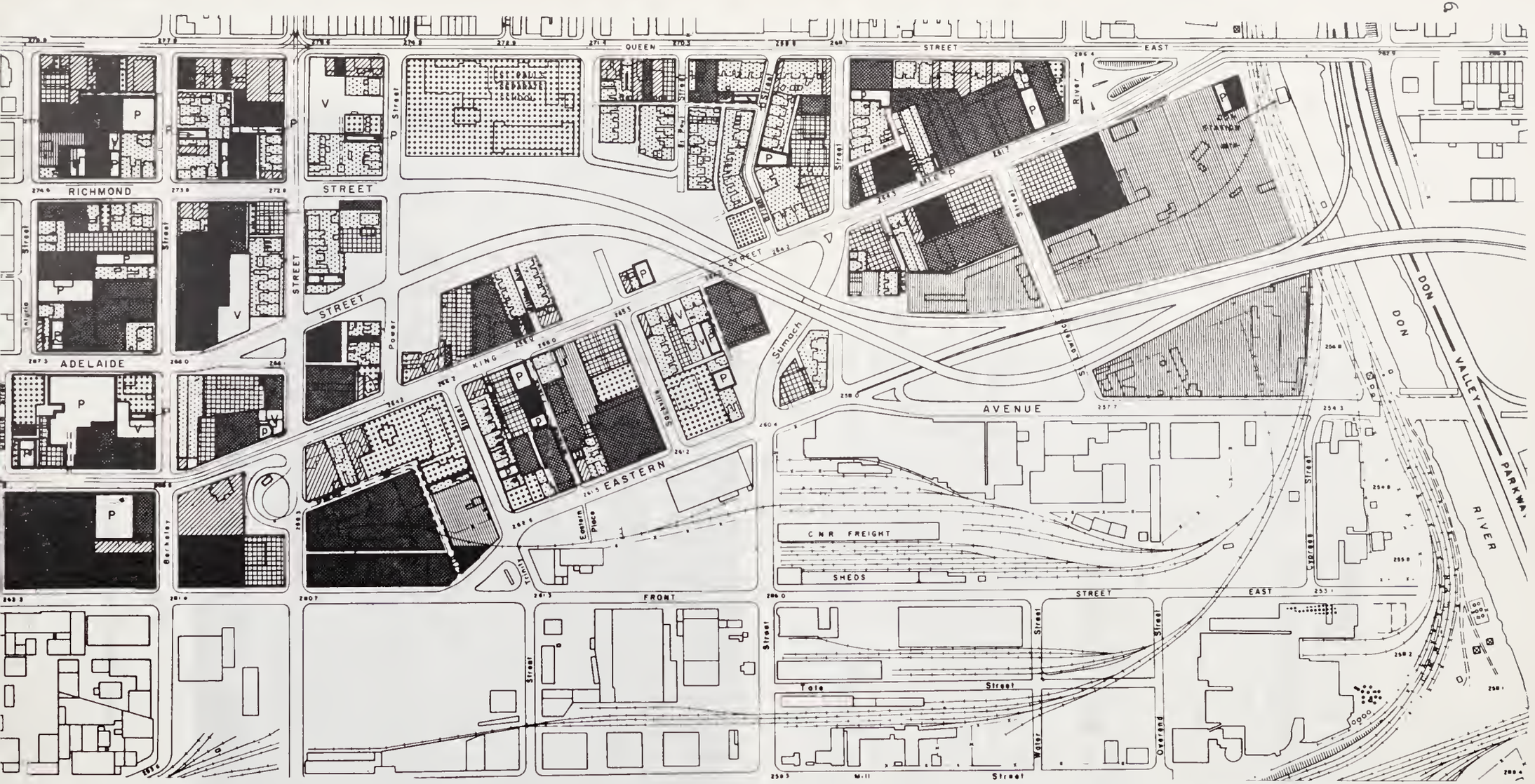
The Duke-Duchess Area

One hundred and seven industrial firms were interviewed in an area bounded by Queen Street East, on the north, Ontario Street on the west, Front Street East and Eastern Avenue on the south, and the Don River on the east.

As illustrated in Figure 3, the Area is characterized by a mixture of industrial plants, both small and large, distributed among small detached and row houses, most of which are in poor condition. Street frontages range from the solidly industrial through those interspersed with a few houses, to the residential street frontage containing one or two small industrial firms. This unorganized pattern has been aggravated by the recent demolitions for construction of the Duke-Duchess approach to the Don Valley Parkway. Queen Street East is the only street with a well defined commercial strip,

Fig. 2

Mixed Use Street Frontage



DUKE — DUCHESS SURVEY AREA

EXISTING LAND USE

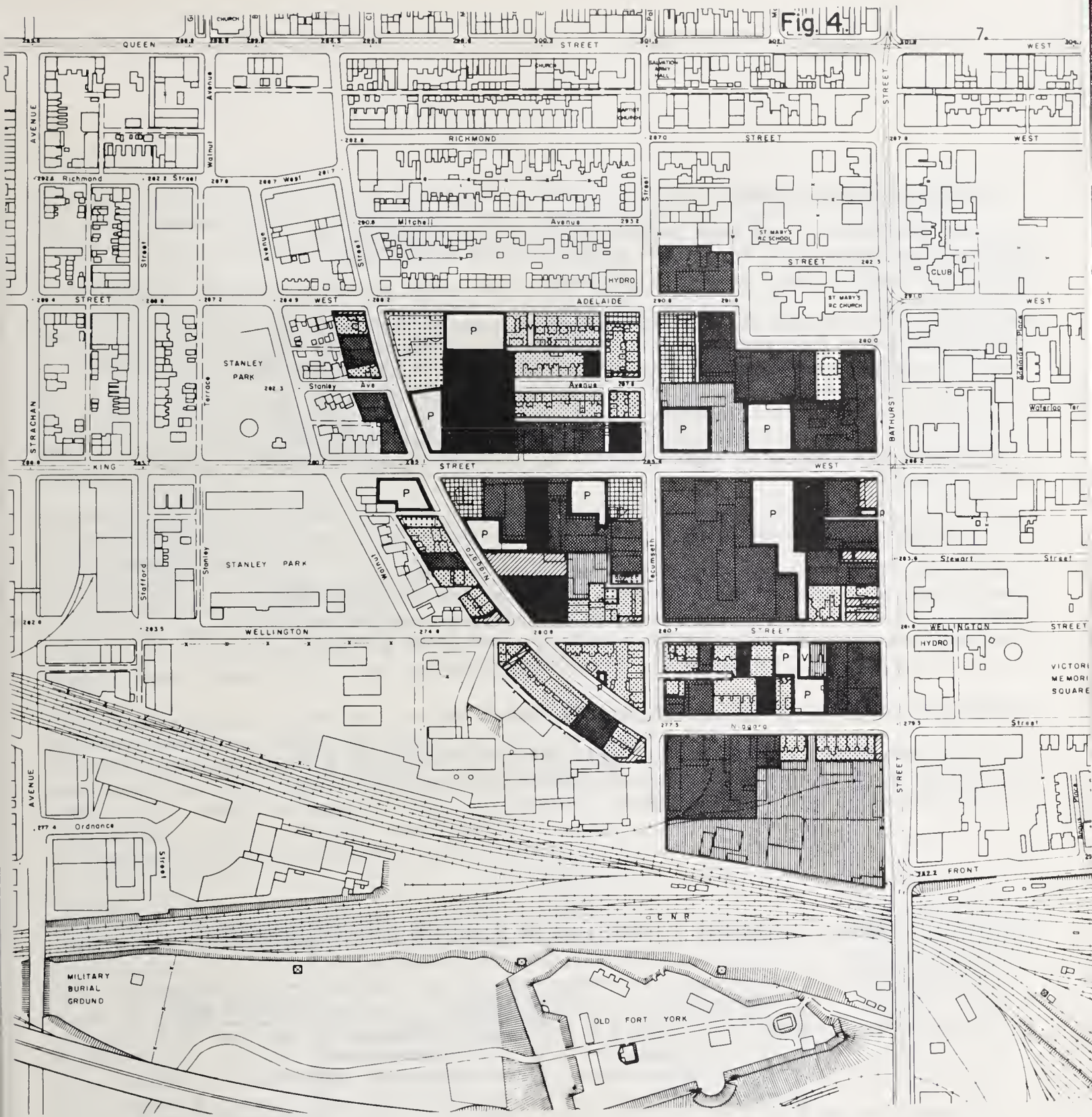
- RESIDENTIAL
- PUBLIC, QUASI PUBLIC AND OFFICES
- COMMERCIAL
- AUTO REPAIR AND SERVICES
- MANUFACTURING
- WAREHOUSING AND WHOLESALING
- STORAGE AND SCRAP YARDS
- P — PARKING
- V — VACANT

As of September 1964

SCALE 1" = 400'

CITY OF TORONTO PLANNING BOARD

Fig. 3



BATHURST — NIAGARA SURVEY AREA

EXISTING LAND USE

- RESIDENTIAL
- PUBLIC, QUASI PUBLIC AND OFFICES
- COMMERCIAL
- AUTO REPAIR AND SERVICES
- MANUFACTURING
- WAREHOUSING AND WHOLESALING
- STORAGE AND SCRAP YARDS
- P — PARKING
- V — VACANT

As of April 1965

SCALE 1" = 400'

CITY OF TORONTO PLANNING BOARD

The Bathurst-Niagara Area

Seventy industrial firms were interviewed in an area bounded by Adelaide Street West on the north, Niagara Street on the west and south, and Bathurst Street on the east.

The pattern of industrial uses and housing is simpler here than in the Duke-Duchess Area (see Fig. 4). It consists of two pockets of housing among the predominantly industrial areas, with some scattering of commercial property. Areas of housing occur in the vicinity of Adelaide Street West and Tecumseh Street, and also further south on Tecumseh Street between Wellington Street West and Niagara Street. A few scattered commercial uses exist along Bathurst Street south of King Street West.

The Classification of Industry

Industrial firms were classified in three main categories: manufacturing, wholesaling and service. When a firm performed more than one function, as for example, when a wholesale distributor also performed service functions by the repair of guaranteed products, it was classified according to its primary function.

Industrial Characteristics of the Duke-Duchess Area

All 107 industrial firms located in this Area in the Fall of 1963 were interviewed. They employed 2,622 persons and occupied 1,257,000 square feet of floor space.

TABLE 1

NUMBER, EMPLOYMENT & FLOOR AREA OF FIRMS IN DUKE-DUCHESS AREA

Industries	FIRMS		EMPLOYMENT				FLOOR AREA	
	No.	%	Male & Female	%	Female	% Female Employment	Sq. Ft.	%
Manufacturing	51	48	1,389	53	334	24	639,000	51
Wholesale	23	21	900	34	357	40	342,000	27
Service	33	31	333	13	40	12	276,000	22
Total	107	100%	2,622	100%	731	28%	1,257,000	100%

As shown in Table 1, 48% of the firms were engaged in manufacturing, and these employed more than half the total working force and also occupied a majority of the industrial floor space.

MANUFACTURING INDUSTRIES PREDOMINANT IN DUKE-DUCHESS AREA. MACHINERY & METAL FIRMS CONSTITUTE LARGEST MANUFACTURING INDUSTRY IN AREA.

The wholesale industries had the least number of firms, yet mainly because of one large firm they employed relatively more persons and occupied proportionally more floor space than either the service or manufacturing firms.

The presence of the one large wholesale firm contributed to the high level of employment and more particularly to the high level of female employment by the wholesale industries. The importance of female labour was otherwise slight.

Manufacturing:- The largest single group among the manufacturers of the Area was machinery and metal products with fifteen firms (29% of the manufacturers), but they employed only 17% of the manufacturing working force and occupied only 16% of the manufacturing floor space. The second largest group comprised nine printing and publishing firms (18% of the manufacturers). With 20% of the total manufacturing working force and occupying 18% of the floor space, this group is of roughly equal importance to the first group.

Other manufacturing industries included wood products and furniture, textiles, paper and allied products and plastics. Among the unclassified manufacturing firms were a few closely associated with several of the main groups. A firm manufacturing clothing hooks, clasps, etc., was, for example, closely allied to the garment, textile and leather industry. Two firms were closely related to the machinery and metal industry and one firm was related to printing and publishing.

Wholesale:- Among the wholesale industries, the largest group comprised eight scrap dealers. Employment and floor space among scrap dealers was low in relation to the number of firms. However, this does not adequately reflect the use of outdoor storage space or the intensity of the operation. There was also a significant group of motor vehicle and automobile accessories firms. Five firms in this group employed 7% of the working force and occupied 9% of the floor space. A third group consisted of four small machinery and metal products firms. They had 1% of the Area's wholesale employment and 6% of the floor area.

SCRAP DEALERS FORM THE LARGEST WHOLESALE INDUSTRY IN DUKE-DUCHESS AREA.

Fig. 5

Scrap Yards in the Duke-Duchess Area

Service:- By far the largest group in the service industries was motor vehicle repair with a total of thirteen firms employing 35% of the service working force and occupying 23% of the service floor area.

MOTOR VEHICLE REPAIR IS LARGEST OF THE SERVICE INDUSTRIES IN DUKE-DUCHESS AREA.

The second service industry comprised four special trade contractors (12% of the Area's service firms) with 25% of the service employment, and 10% of the service floor space. The employment figure did not include outside employees used by the contractors on various jobs.

Industrial Characteristics of the Bathurst-Niagara Area

T A B L E 2

NUMBER, EMPLOYMENT & FLOOR AREA OF FIRMS IN BATHURST-NIAGARA AREA

Industries	FIRMS		EMPLOYMENT				FLOOR AREA	
	No.	%	Male & Female	%	Female	% Female Employment	Sq. Ft.	%
Manufacturing	44	63	2,179	85	1,244	57	790,000	73
Wholesale	15	21	253	10	64	25	188,000	18
Service	11	16	138	5	25	18	96,000	9
Total	70	100%	2,570	100%	1,333	52%	1,074,000	100%

The seventy firms interviewed in the Area represented 100% of the industrial firms located there in the Fall of 1963. They employed 2,570 persons and occupied 1,074,000 square feet of floor space.

Manufacturers were predominant with 44 firms employing 2,179 persons and occupying 790,000 square feet of floor space. Wholesale industries were second with fifteen firms employing 253 persons and occupying 188,000 square feet of floor space. Eleven service firms had 138 employees and occupied 96,000 square feet of floor space.

MANUFACTURING INDUSTRIES PREDOMINANT IN BATHURST-NIAGARA AREA. GARMENT TEXTILE AND LEATHER FIRMS CONSTITUTE LARGEST MANUFACTURING INDUSTRY IN AREA.

Over half the employment was female, and a majority of the female work force was employed in the garment, textile and leather manufacturing industry.

Manufacturing:- The largest group in the manufacturing industries in the Bathurst-Niagara Area was the garment, textile and leather group with thirteen firms (30% of the Area's manufacturing firms), 42% of the manufacturing employees and 30% of the manufacturing floor area.

The second largest industry comprised ten printing and publishing firms (23% of the Area's manufacturing firms), but they employed only 9% of the manufacturing working force and occupied only 8% of the manufacturing floor area.

The third industry was machinery and metal with six firms, representing 14% of the Area's manufacturing firms, 10% of the manufacturing employees and 12% of manufacturing floor space.

Among unclassified manufacturing firms were two closely related to garment, textile and leather and one firm related to the printing and publishing industry.

MACHINERY AND METAL FIRMS FORM LARGEST WHOLESALE INDUSTRY IN BATHURST-NIAGARA AREA.

Wholesale:- By far the largest group among the wholesale industries were seven machinery and metal firms. These represented 47% of the Area's wholesale firms and had 48% of the wholesale employees and occupied 38% of the wholesale floor area. The second industry comprised two scrap dealers with 7% of the wholesale employees and 7% of the wholesale floor area. Among the unclassified wholesale firms was one related to the machinery and metal group.

Service:- The largest service industry comprised three general and special trade contractors (27% of the Area's service firms) with 9% of the service employment,* but occupying 25% of the total floor space devoted to service industrial purposes.

Comparison of the Duke-Duchess and Bathurst-Niagara Areas

Although both the survey Areas may be considered to be primarily manufacturing areas the Bathurst-Niagara Area has proportionately more manufacturing firms, and of a larger size. The high labour demand of the garment, textile and leather firms in the Bathurst-Niagara Area contributes to the more apparent manufacturing nature.

MANUFACTURING INDUSTRIES MAINTAINING IMPORTANCE IN BATHURST-NIAGARA AREA BUT DECREASING IN IMPORTANCE IN DUKE-DUCHESS AREA.

Many of the manufacturing firms in the Bathurst-Niagara Area located there during the five-year period preceding the survey (1958-1963). Table 3 shows that 58% of all newly located firms were manufacturers. Generally speaking, firms newly locating in this Area are proportionally the same as those that have existed there during past years.

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* Exclusive of outside employees

T A B L E 3

FIRMS LOCATED 1958 - 1963

DUKE - DUCHESS AREA

Industries	FIRMS LOCATED 1958-1963			FLOOR AREA OF FIRMS LOCATED 1958-1963		
	No.	%	% of Industrial Category	Sq. Ft.	%	% of Industrial Category
Manufacturing	20	46	39	109,000	38	17
Wholesale	4	9	17	27,000	10	7
Service	19	45	58	147,000	52	53
Total	43	100%	40% of all Industries	283,000	100%	23% of all Industries

BATHURST - NIAGARA AREA

Industries	FIRMS LOCATED 1958-1963			FLOOR AREA OF FIRMS LOCATED 1958-1963		
	No.	%	% of Industrial Category	Sq. Ft.	%	% of Industrial Category
Manufacturing	18	58	41	200,000	56	25
Wholesale	9	30	60	142,000	40	76
Service	4	12	36	13,000	4	15
Total	31	100%	44% of all Industries	355,000	100%	33% of all Industries

However, in the Duke-Duchess Area, a relatively large number of service firms and very few wholesale firms have located in the Area during the last five years. Table 3 shows that service firms constituted 45% of all the firms locating in the Duke-Duchess Area during the past five years while wholesale firms constituted only 9% of the total. In comparison, the prevailing distribution pattern (See Table 1) shows a much greater proportion of wholesale firms and a lower proportion of service firms.

Consequently the Duke-Duchess Area, while still predominantly a manufacturing area, has become recently more of a service area characterized by small firms, such as those for motor vehicle repair.

THE SERVICE INDUSTRY HAS INCREASED GREATLY IN DUKE-DUCHESS AREA IN RECENT YEARS.

Most firms that located in the survey Areas during the last five years moved from other downtown locations (See Table 4). This was particularly apparent in the Bathurst-Niagara Area where two-thirds of the newly located firms moved from other downtown locations and only 15% were newly established in business. In the Duke-Duchess Area as many new firms moved from other downtown locations as were newly established (30% each).

Within the industries, most of the newly located manufacturing firms moved from other downtown locations to the survey Areas and very few were newly established in business. The highest incidence of newly established businesses was among service firms in the Duke-Duchess Area. Forty-two percent of such firms in this Area were new businesses.

MOST NEWLY LOCATED FIRMS IN BATHURST-NIAGARA AREA MOVED FROM OTHER DOWNTOWN LOCATIONS.

The reasons for firms moving into and out of the survey Areas (and the downtown area) is examined in a subsequent section.

TABLE 4

ORIGIN OF FIRMS LOCATED 1958 - 1963

DUKE - DUCHESS AREA

Industries	Firms Located 1958-63		Newly Established Firm		Moved from Within Survey Area		Moved from Downtown* Location		Moved from Elsewhere	
	No.	%	No.	%	No.	%	No.	%	No.	%
Manufacturing	20	100	4	20	3	15	8	40	5	25
Wholesale	4	100	1	25	2	50	1	25	0	0
Service	19	100	8	42	6	32	4	21	1	5
Total	43	100%	13	30%	11	26%	13	30%	6	14%

BATHURST - NIAGARA AREA

Industries	Firms Located 1958-63		Newly Established Firm		Moved from Within Survey Area		Moved from Downtown* Location		Moved from Elsewhere	
	No.	%	No.	%	No.	%	No.	%	No.	%
Manufacturing	18	100	3	17	2	11	13	72	0	0
Wholesale	9	100	1	11	0	0	5	56	3	33
Service	4	100	1	25	1	25	2	50	0	0
Total	31	100%	5	15%	3	10%	20	65%	3	10%

* Between Don River and Dufferin Street south of College Street

Rental and Ownership Characteristics of Firms in Relation to Their Age and Size

TABLE 5

BUILDING OWNERSHIP OF FIRMS LOCATED 1958-1963

Industries	DUKE-DUCHESS AREA				BATHURST-NIAGARA AREA			
	OWN		RENT		OWN		RENT	
	No.	% of Industrial Category	No.	% of Industrial Category	No.	% of Industrial Category	No.	% of Industrial Category
Manufacturing	2	10	18	90	2	11	16	89
Wholesale	1	25	3	75	2	22	7	78
Service	6	32	13	68	1	25	3	75
All Industries	9	21%	34	79%	5	16%	26	84%

As shown on Table 5, the great majority of firms that have recently moved into the survey Areas rent their premises. The rate of ownership was lower in the Bathurst-Niagara Area than in the Duke-Duchess Area due to their being multi-floor industrial buildings available for multiple tenancy in that Area.

MOST NEWLY LOCATED FIRMS IN SURVEY AREAS RENT THEIR PREMISES.

While ownership of premises tended to be low among all industrial categories of newly located firms it was lowest among manufacturers and highest among service industries.

Ownership and Size

T A B L E 6

OWNERSHIP AND SIZE OF FIRMS

Industries	Size Sq. Ft.	DUKE-DUCHESS AREA				BATHURST-NIAGARA AREA			
		OWN		RENT		OWN		RENT	
		No.	%	No.	%	No.	%	No.	%
Manufacturing	M-1 1 - 5,999	7	35	18	65	5	29	12	71
	M-2 6,000 - 13,999	10	59	7	31	9	56	7	44
	M-3 14,000 - 49,999	4	67	2	33	4	50	4	50
	M-4 50,000 +	3	100	0	0	3	100	0	0
	Total Manufacturing	24	47%	27	53%	21	48%	23	52%
Wholesale		11	48	12	52	6	40	9	60
Service		18	55	15	45	5	45	6	55
All Industries		53	50%	54	50%	32	46%	38	54%

In both the survey Areas there was a fairly even split between the number of firms occupying rented premises and those owning plants; this was true independently for each of manufacturing, wholesaling and service industries as is shown in Table 6. However, the rate of ownership increased with the size of manufacturing firm and a majority of the floor space was in fact occupied by firms that owned their premises; these firms also employed a majority of the total working force.

APPROXIMATELY HALF THE FIRMS OWN THEIR PREMISES IN SURVEY AREAS. OWNERSHIP OF PREMISES INCREASES WITH SIZE.

Size

T A B L E 7

SIZE OF MANUFACTURING FIRMS

Manufacturing Size Sq. Ft.	DUKE-DUCHESS AREA				BATHURST-NIAGARA AREA			
	Firms		%	%	Firms		%	%
	No.	%	Employment	Floor Area	No.	%	Employment	Floor Area
M-1 1 - 5,999	25	49	13	11	17	39	10	8
M-2 6,000 - 13,999	17	33	24	25	16	36	23	18
M-3 14,000 - 49,999	6	12	33	30	8	18	36	33
M-4 50,000 +	3	6	30	34	3	7	31	41
Total Manufacturing	51	100%	100%	100%	44	100%	100%	100%

In Table 7 it is shown that the relatively few medium and large-size manufacturing firms had more employees and occupied more floor space than the much more numerous small plants.

Age

TABLE 8

YEARS IN PRESENT LOCATION

Industries	DUKE-DUCHESS AREA			BATHURST-NIAGARA AREA		
	% Firms in Present Location			% Firms in Present Location		
	Up To 5 Years	6-10 Years	11 + Years	Up To 5 Years	6-10 Years	11 + Years
Manufacturing	39	14	47	41	14	45
Wholesale	16	14	70	60	13	27
Service	58	18	24	36	28	36
All Industries	40%	15%	45%	44%	16%	40%

The length of time firms in the industrial categories have been located in the survey Areas is shown in Table 8. Nearly half the manufacturing firms in each survey Area have been eleven years or more in the interviewed location.

On the other hand the wholesale industries have quite different age characteristics in the two Areas. In the Duke-Duchess Area they tend to be long established with 70 per cent of the firms having been in the Area more than eleven years, but in the Bathurst-Niagara Area the position is reversed with 73 per cent of the firms having come to their present locations within the past ten years. The older nature of wholesaling in the Duke-Duchess Area is primarily attributable to the presence of the scrap yards. The Duke-Duchess Area is one of the few City areas in which this use has long been permitted.

WHOLESALE FIRMS IN BATHURST-NIAGARA AREA ARE YOUNG AND OLD IN DUKE-DUCHESS AREA.

The service industries exhibit different age characteristics in the two Areas but not of the type described for wholesale industries. A relatively small proportion of service firms in the Duke-Duchess Area have been eleven years or more at their present locations and a somewhat larger 36% in the Bathurst-Niagara Area. On the other hand, 58% of the service firms in the Duke-Duchess Area were located there between 1958-1963 and 36% in the Bathurst-Niagara Area.

The Size of Firms in Relation to Their Age

Many small-size manufacturing firms in both Areas were located there during the period 1958-1963. Nearly half of the firms of less than 6,000 square feet floor area (44% in Duke-Duchess, 47% in Bathurst-Niagara) were located there during this five-year period, whereas more than a third (36% in Duke-Duchess, 35% in Bathurst-Niagara) have been eleven years or more at their present locations. Most large-size manufacturing firms in both Areas have been eleven years or more in their present location. Of the manufacturing firms that occupy over 14,000 square feet of floor space, 78% in the Duke-Duchess Area and 55% in the Bathurst-Niagara Area have been eleven years or more in their present location, whereas only 22% in the Duke-Duchess Area and 36% in the Bathurst-Niagara Area located there during the 1958-1963 period.

NEARLY HALF THE SMALL SIZE FIRMS HAVE BEEN ESTABLISHED IN RECENT YEARS. MOST LARGE-SIZE FIRMS HAVE BEEN IN THEIR LOCATIONS A LONGER TIME.

Age and Condition of Industrial Buildings

Eleven industrial buildings in the Duke-Duchess Area and seven buildings in the Bathurst-Niagara Area were built during the last ten years. Most of these buildings were owner occupied.

Of the firms that rented acccommodation only three in the Duke-Duchess Area and two in the Bathurst-Niagara Area occupied new premises. Of these, only one firm in each Area located during the preceding five-year period. Nearly all firms renting their premises were in old buildings which were in fair condition.

NEARLY ALL RENTING FIRMS OCCUPY OLDER BUILDINGS IN FAIR CONDITION IN SURVEY AREAS.

CHAPTER III

LOCATION FACTORS

There are usually several reasons for locating a business in a given place and it is difficult to determine precisely the reasons why a particular decision may have been reached. Each site, whether being considered as a future location or already being used is evaluated according to the costs of labour, supplying the market, the physical adequacy of the space available, transportation, taxes, etc. The final decision is based on what will produce the largest profit for the business.

In an attempt to evaluate the factors affecting location, all firms, including those planning to move from their present locations, were asked to rate the relative importance of several location factors.

Convenience to Market

Market convenience ranked highest in the Bathurst-Niagara Area, and third in the Duke-Duchess Area. Seventy-two percent of the firms interviewed in the Bathurst-Niagara Area stated over half their customers were in Metro Toronto, whereas 60% of the Duke-Duchess firms replied similarly.

MARKET CONVENIENCE RANKS FIRST AS A LOCATION FACTOR IN BATHURST-NIAGARA AREA.

Convenience to market was the main locational consideration to manufacturers in the Bathurst-Niagara Area and to wholesalers in both Areas. Sixty-five percent of the manufacturing firms in the Bathurst-Niagara Area stated that over half their customers were in Metro Toronto, whereas only 50% of the Duke-Duchess manufacturing firms replied similarly.

LABOUR POOL RANKS FIRST IN DUKE-DUCHESS AREA.

In the Bathurst-Niagara Area the predominance of the garment, textile and leather industry, followed by printing and publishing, help to explain the ranking given to market convenience in this Area. For the latter group it means being close to most of the customers (e.g. downtown firms ordering printed business forms) and close to allied trades (e.g. typesetters). In these instances proximity can be equated with time since it is the promptness and punctuality with which the product is finished and delivered, that are critical to a firm's existence.

For the garment, textile and leather industry, convenience to market also means proximity to customers and to allied trades, plus one most important feature - that of being close to as many competitors as possible in order to keep abreast of style and fabric changes. The affinity of the garment firms for one another and for downtown is well documented in many studies throughout the world.

Wholesale industries were dominated by scrap dealers and the motor vehicle and accessories groups in the Duke-Duchess Area and by

the machinery and metal group in the Bathurst-Niagara Area. All three groups consider market convenience in a wider context. Centrality to customers (and suppliers in the case of scrap dealers) throughout the City and Metro Toronto is important. A downtown location provides the centre from which the lines of contact radiate out, and conversely, the focus upon which the lines of communication converge.

For example, customers such as repair garages and shops, for the machinery and metal and motor vehicle and accessories groups are attracted downtown to pick up goods and parts at several wholesalers and to conduct other business matters in one central area instead of travelling unnecessarily from one suburb to another.

Firms in the service industries in both Areas were concerned with location as it affected their service to customers rather than directly concerned with market convenience. The service offered to customers by such firms as motor vehicle repair garages, depends directly upon the proximity of the garage to its client. The greater the distance between the two, the less the possibility of providing good service. Therefore, downtown with its large customer potential for garages and similar service firms, forms a desirable market area for the service firms in the Duke-Duchess and Bathurst-Niagara Areas.

T A B L E 9

RANKING* OF LOCATION FACTORS

Industries	DUKE-DUCHESS AREA			BATHURST-NIAGARA AREA		
	Market Convenience	Labour Pool	Capital Investment	Market Convenience	Labour Pool	Capital Investment
Manufacturing	3	1	2	1	2	3
Wholesale	1	3	2	1	2	3
Service	1	2	3	1	3	2
All Industries	3	1	2	1	2	3

* Each firm was asked to rate each location factor as 1. Essential, 2. Very important, 3. Important, 4. Minor importance, 5. No importance. Points were assigned to each firm's subjective evaluations of each factor. The final location factor ranking was based upon the point total of all the firms for each factor.

Labour

Although different aspects were stressed by firms in the two-survey Areas, labour was given the highest ranking in the Duke-Duchess Area and second highest in the Bathurst-Niagara Area. The availability of skilled labour was considered more important in the Duke-Duchess Area, while labour cost was stressed in the Bathurst-Niagara Area.

Within the industries a varied ranking pattern emerged. The manufacturing industries in the Duke-Duchess Area - predominantly machinery, metal and wood and furniture ---- understandably depend primarily on a skilled labour pool, whereas the garment, textile and leather products firms in the Bathurst-Niagara Area consider both labour skill and cost as secondary to the convenience to markets. These garment firms rely heavily upon the relatively low-cost immigrant female labour force resident in nearby residential districts.

Wholesale firms in both Areas considered labour cost to be of secondary importance and labour skill even less important. The service industries, dominated by motor vehicle repair firms in the Duke-Duchess Area, gave labour skill a secondary ranking while labour cost was of little significance.

The areal extent of the labour pool for any industry in downtown is considerably broadened by the confluence of many transportation lines in the Area. Industrial firms felt this was one of several aspects to be considered in the overall labour factor in plant location. Another aspect was the attractiveness of the downtown shopping district, particularly to female employees.

Capital Investment

Capital Investment ranked third overall in importance, as a location factor in the Bathurst-Niagara Area and second in the Duke-Duchess Area. It ranked second among manufacturing and wholesale in the Duke-Duchess Area and among service industries in the Bathurst-Niagara Area, (see Table 9). Capital investment in this context was meant to include not only the capital tied up in present site and equipment ownership, but also the costs involved in removing supplies and equipment and their re-installation in a new location. Thus the higher the rating given by a firm, the more difficult it would be for the firm to move from its present location.

Materials

Availability of materials was generally considered of little importance as a location factor. The only industries lending some weight to it were wholesale and service industries in the Bathurst-Niagara Area. Small firms with limited capital and storage area preferred to be close to their suppliers, thus enabling almost immediate delivery of materials.

However, most of the firms in both survey Areas obtained over half their materials and/or service within Metro Toronto. Sixty-five percent of the firms in the Duke-Duchess Area and 61% of those in the Bathurst-Niagara Area were in this category.

Other Locational Advantages

Other locational advantages mentioned in the survey were:

(a) present location is well established and recognized.
(b) close to railways and docks.
(c) close to hotels.

Attitude to Downtown

A great majority of firms felt that a downtown location is advantageous. The wholesale industries were most emphatic in this attitude, with over 90% of the firms in both survey Areas of this opinion. The manufacturing and service industries considered this only slightly less important, as shown in Table 10.

GREAT MAJORITY OF FIRMS THINK DOWNTOWN LOCATION IS AN ADVANTAGE.

The fact that a high percentage of the wholesale industries felt a downtown location to be advantageous is further borne out by the previously mentioned high rating given by wholesalers to market convenience as a location factor.

T A B L E 10

FIRMS STATING DOWNTOWN LOCATION IS AN ADVANTAGE

Industries	DUKE-DUCHESS AREA	BATHURST-NIAGARA AREA
Manufacturing	80 %	91 %
Wholesale	91	93
Service	88	82
All Industries	85%	89%

Small Firms Attitude to Downtown

The presence of a large number of small plants in the survey Areas confirms the pull the downtown has on them. In the central section of any region, small firms (usually newly established) can rent divided building space on short-term lease and can share in essential materials, facilities or services. They depend upon the "external economies" of the central section - the economies a firm can obtain by using facilities or services external to itself.

EXISTENCE OF MANY SMALL SIZE FIRMS IN SURVEY AREAS CONFIRMS IMPORTANCE OF DOWNTOWN TO SMALL NEWLY ESTABLISHED FIRMS.

For example, a small firm cannot afford to purchase and operate a delivery truck or hire a full-time specialist, or purchase seldom-used expensive machinery. If a small firm did undertake such financial responsibilities its unit production costs would make it non-competitive with larger producers. Therefore, such plants usually hire outside establishments which specialize in one phase or another of the production process, in the hope of lowering operating costs and, in turn, unit production costs to a competitive level. These outside specialists tend to locate in the areas where their facilities and services are readily available to a large number of prospective clients.

Small plants also like to get materials easily and quickly avoid stockpiling and to hire employees easily on short notice or for brief periods to meet sudden fluctuations in their need for labour. All these external factors - space, facilities, services, materials and labour - are found in the dense downtown area. Consequently small plants, especially newly established firms, are attracted to the Area.

That is not to say that every small plant will succeed by these means to match its larger competitors' unit costs. In many cases, the small or newly established firm, despite external economies has a higher cost structure than its competitors and falls by the wayside. Nevertheless, a very important function of downtown is that of a "birthplace" and "incubator" for new firms. Those that are successful in achieving competitively low unit production costs survive and grow, those that are not successful, disappear.

Locational Disadvantages

Thirteen firms (12%) in the Duke-Duchess Area intended to move from their interviewed locations and ten firms (14%) in the Bathurst-Niagara Area intended to do so.

In the Duke-Duchess Area four of the thirteen firms intended to move to another downtown location, seven intended to move to the suburbs and two were undecided. Three of the firms considering a move to another downtown location and four of those moving to the suburbs felt that a downtown location was an advantage.

In the Bathurst-Niagara Area four of ten firms which intended to move favoured another downtown location, four intended to move to the suburbs and two were undecided. All four firms contemplating a move to another downtown location and two of those moving to the suburbs, felt that a downtown location was an advantage.

The attractiveness of the downtown area as an industrial location is well illustrated by these figures. A substantial part (about one-third) of the firms intending to move from their interviewed locations planned to move to another downtown location. Even among those firms contemplating a move to the suburbs over half thought a downtown location to be an advantage. This may be explained by reasons given for the proposed moves by these six firms. Two of the six firms needed more space for expansion purposes; one firm wanted better shipping facilities; another's building wanted better shipping facilities; another's building was expropriated; one firm wanted a prestige building and location; one owner's move was based on personal motives.

HALF THE FIRMS CONTEMPLATING A MOVE TO THE SUBURBS THOUGHT DOWNTOWN LOCATION IS AN ADVANTAGE AND WOULD NOT MOVE IF SUITABLE SPACE WERE AVAILABLE DOWNTOWN.

Therefore, it is not unreasonable to conclude that had land, and/or suitable building space been available in the downtown area at competitive prices or rentals, at least half of these firms might not have decided to move to the suburbs.

Reasons for Intended Move

T A B L E 11

MAJOR REASON FOR FIRMS'S INTENDED MOVE 1963

Major Reason	DUKE-DUCHESS AREA	BATHURST-NIAGARA AREA	BOTH SURVEY AREAS
	No. of Firms	No. of Firms	No. of Firms
Need Space For Expansion	6	5	11
Poor Access To Building	1	1	2
Bad Loading Facilities	1	1	2
Insufficient Parking Space	1	1	2
Personal Reasons	2	0	2
Bad Neighbourhood	0	1	1
Building Expropriated	1	0	1
To Locate With Parent Firm	0	1	1
Want Prestige Building and Location	1	0	1
Total	13	10	23

The reasons given by the twenty-three firms in the two survey Areas for their intention to move, is shown in Table 11. The predominant major reason given for the proposed move was the need for space for expansion. Six firms (46% of those intending to move) in the Duke-Duchess Area and five firms (50%) in the Bathurst-Niagara Area cited this as the major reason. In many cases, one or more reasons in addition to the major reason were also given.

PREDOMINANT MAJOR REASON FOR FIRMS INTENDING TO MOVE IS NEED FOR SPACE FOR EXPANSION.

The emphasis on space for expansion is neither peculiar to the survey Areas nor to Toronto. It has been stressed wherever studies of industrial relocation have been carried out.

The majority of firms that intended to move due to the need for expansion of space rented their premises. In multi-storey rental buildings additional adjacent floor area is often difficult to come by. This forces firms to expand their operations to another floor level or even to another building. When such a situation becomes uneconomic, removal takes place. In the case of owner-occupied premises, new additions may not be possible due to building and site limitations and/or adjacent land being too difficult and highly priced to acquire for this purpose.

MOST FIRMS INTENDING TO MOVE RENT SMALL OR MEDIUM-SIZE PREMISES.

Most of the firms intending to move were manufacturing firms now occupying less than 14,000 square feet floor area. Nine firms (69% of those intending to move) in the Duke-Duchess Area and seven firms (70%) in the Bathurst-Niagara Area were in this category. As with the majority of all firms, the need for additional space was the predominant major reason given for the intended move of these small and medium-size manufacturing firms. A majority of the firms occupied rented premises.

All other major reasons given for the intended move were mentioned by only one or two firms. Two firms cited lack of parking space as the major reason. Two firms were forced to think of moving due to poor access to their premises. Lanes are blocked by loading and unloading, as are sidewalks and streets when a firms freight entrance directly abuts on the street.

The personal reasons of the firm's owner was also a factor in a limited number of cases. Two firms in the Duke-Duchess Area gave personal reasons, unconnected with the commonly considered industrial location factors, as the prime motivation for a future move.

Other reasons mentioned for the intended move were: the building was expropriated; the present location was in a bad neighbourhood; the desire to relocate with the parent firm; the desire to have a prestige building and location; the need for better loading facilities.

Obsolescence of Industrial Buildings

Many of the reasons for intended move were due to "physical" obsolescence which refers to structure and characteristics. On the other hand the other two types of obsolescence, "functional" and "environmental", had little or no effect on a firm's decision to move.

Functional obsolescence relates to the changing requirements of specific industrial processes or of changing markets and distribution. For example, a metal-plating firm desiring to install newly developed equipment, may find its premises unsuitable because the clearance between building columns is insufficient to permit new tanks to be installed.

Environmental obsolescence reflects the area in which the specific building is located. For example, the uses of properties surrounding an industrial firm may have changed and be incompatible with it.

Functional obsolescence has been a common cause of industrial relocation in many cities, yet it was found to be surprisingly unimportant in the survey Areas. It would appear that the kind and size of firms found in these Areas are little affected by technological and market changes.

Care should be taken not to assume that every industrial building with one or more types of obsolescence is an obsolete building. The term "obsolete" implies a building is of no further use and that it should be eliminated, but in practice a building which a specific industrial firm designates obsolete would not necessarily imply that it is obsolete for all other industrial firms. In fact, a deficiency in a building for a specific industrial plant might turn out to be an asset for another industrial firm.

Table 3 shows that over 40% of all firms in the survey Areas located there since 1958. Nearly all these firms moved into older buildings occupied and vacated by an unknown number of firms. It is reasonable to assume that the former occupants moved in the past for reasons similar to those given in the present survey. Thus, premises in the survey Areas vacated by industrial firms due to one or more types of obsolescence have been re-occupied and successfully utilized by other industrial firms.

Terms such as "obsolescence", "obsolete" and "blight" used in describing residential conditions should not be applied indiscriminately to industrial conditions because they distort the true adequacy of existing industrial buildings. The important basic difference is that an obsolescent orobsolete residential building and blighted residential area remain so regardless of who the residents are, whereas an obsolescent building for one industrial firm does not necessarily remain obsolescent for another.

AN INDUSTRIAL BUILDING OBSOLESCENT FOR ONE FIRM IS NOT NECESSARILY OBSOLESCENT FOR ANOTHER.

Reasons for Move into Survey Areas

T A B L E 12

MAJOR REASONS FOR FIRMS MOVING TO SURVEY AREAS 1943-1963

Major Reason	DUKE-DUCHESS AREA	BATHURST-NIAGARA AREA	BOTH SURVEY AREAS
	No. of Firms	No. of Firms	No. of Firms
Need Space For Expansion	32	26	58
Building Expropriated, Sold or Demolished	16	7	23
Want Own Premises	5	3	8
Rent Raised or Premises Rented to Another Firm	0	4	4
Merger or Consolidation of Operations	0	3	3
Insufficient Parking Space	2	0	2

Table 12 lists the major reasons given for choosing their locations by firms which moved into the survey Areas during the past twenty years. From a comparison of this information with that shown in Table 11, it is obvious that the need for space for expansion was the prime motivation for the movement of industrial firms. The vitality and growth of many of the firms in the survey Areas have brought about their physical expansion which in turn has created the need for more space. A further manifestation of this growth is the fact that seven of the firms that moved within the last twenty years because of the need for space for expansion, intend to move again in the future for exactly the same reason.

A common major reason for moving in the past - building expropriated, sold or demolished - is mentioned only once among the firms intending to move in the future. Table 12 shows this reason was mentioned by many firms in the Duke-Duchess Area, where extensive expropriation and demolition have occurred in the past,preparatory to construction of the Duke-Duchess approach to the Don Valley Parkway. Therefore, if the Grace-Christie Expressway (Highway 400 extension) is built in the future, increased industrial relocation due to expropriation, demolition and change in building ownership in and around the Bathurst-Niagara Area may be expected to occur.

Other major reasons, such as insufficient parking space, bad loading facilities and poor access to building, were mentioned once or twice by those firms intending to move and also by those who have moved within the past twenty years. However, in proportion these reasons are stated more frequently by those firms who intend to move now than by those who have actually relocated in the past. This may indicate that these problems have become more acute recently and may be the cause of an increasing number of firms making decisions to change location.

Objectionable Features

T A B L E 13

OBJECTIONABLE FEATURES

DUKE-DUCHESS AREA						
Industries	Dust & Dirt	Vandalism	Fumes	Smoke	Traffic	Noise
Manufacturing	63 %	41 %	33 %	28 %	22 %	12 %
Wholesale	44	65	30	17	26	13
Service	55	67	30	27	15	3
All Industries	56%	54%	32%	25%	21%	9%

BATHURST-NIAGARA AREA						
Industries	Dust & Dirt	Vandalism	Fumes	Smoke	Traffic	Noise
Manufacturing	66 %	36 %	34 %	32 %	18 %	13 %
Wholesale	60	27	13	40	33	7
Service	55	36	73	27	55	18
All Industries	63%	34%	36%	33%	27%	13%

In any attempt to make the Survey Areas more attractive to industry, features requiring attention must be identified. Therefore all interviewed firms were requested to list what were considered to be objectional features in their vicinity.

DUST AND DIRT IS THE MOST OBJECTIONABLE FEATURE IN BOTH SURVEY AREAS.

As shown on Table 13, dust and dirt were said by most firms in both areas to be an objectionable feature. Vandalism, fumes, smoke, traffic and noise were also cited. Vandalism was thought to be much more serious a problem in the Duke-Duchess Area than in the Bathurst-Niagara Area. Traffic problems were listed by relatively few firms. This indicates either that this aspect of industrial areas has been over-emphasized in the past or that the interviewed firms were not directly concerned with the delivery of goods, leaving these problems to shipping and delivery companies.

In both Areas more manufacturing firms considered dust and dirt most objectionable, followed by vandalism, fumes, smoke, traffic and noise. The wholesale and service industries in the Duke-Duchess Area cited vandalism most frequently as an objectionable feature, surpassing dust and dirt. On the other hand, these industries considered vandalism to be relatively unimportant in the Bathurst-Niagara Area and most frequently mentioned the nuisances of dust and dirt. Service industries in the Bathurst-Niagara Area listed fumes first followed by dust and dirt and traffic. The nuisances of fumes and dust and dirt in the Bathurst-Niagara Area can very likely be attributed to the presence of an abattoir and a City incinerator immediately south of the Area.

CHAPTER IV

BUILDINGS AND FACILITIES

Most of the firms in both survey Areas felt that although a multi-storey operation was possible, it would be more economical to operate on one floor, but not necessarily a ground floor. About one-third of the interviewed firms stated that a ground floor was necessary as part of the operation. This included firms requiring only ground floor space and those needing ground floor area in addition to any upper floors they might have.

These preferences were generally typical of manufacturing and wholesale industries. However, only 23% of manufacturing firms in the Bathurst-Niagara Area thought that a ground floor was necessary as part of the operation. This is accounted for by the Area's high proportion of garment, textile and leather firms that are known to be able to operate satisfactorily on upper floors. It was noted that large-size manufacturing plants, particularly in the Duke-Duchess Area, stated a ground floor was necessary as part of the operation.

The service industries differed in that fewer firms than in the manufacturing and wholesale industries thought a multi-storey operation possible, a one-floor operation more economical, and more firms felt a ground floor location necessary. This was a result of the large number of motor vehicle repair firms and the like, that by the very nature of their operation must be at street level.

ONE-FLOOR OPERATION CONSIDERED MORE ECONOMICAL.

As seen in Table 14, a one-floor operation was considered more economical by the highest percentages of firms in both survey Areas. Even the service industries in the Duke-Duchess Area showed over half the firms of this opinion. Contrasting these high percentages with the relatively low proportion of firms needing a ground floor as part of their operations and the even lower number of firms requiring a ground floor level only, it becomes apparent that large-size multi-storey industrial buildings offering one-floor operation with room for expansion on the same level should find a ready market in the downtown area. The attractiveness of such buildings to industries would increase with provision of efficient freight handling systems, parking facilities and strategic location.

An attempt was made to assess the potentialities of new multi-storey industrial buildings by asking the firms if they would be attracted to rent space in such buildings, with good parking and shipping facilities, means of easily moving goods vertically, and if so, at what rental.

T A B L E 14

MULTI-STOREY OPERATION

DUKE-DUCHESS AREA			
Industries	Multi-Storey Operation Possible	One-Floor Operation More Economical	Ground Floor Necessary as Part of Operation
Manufacturing	75 %	78 %	35 %
Wholesale	78	70	43
Service	49	52	49
All Industries	67%	68%	41%

BATHURST-NIAGARA AREA			
Industries	Multi-Storey Operation Possible	One-Floor Operation More Economical	Ground Floor Necessary as Part of Operation
Manufacturing	89 %	93 %	23 %
Wholesale	80	80	33
Service	27	64	45
All Industries	77%	86%	29%

TABLE 15

INTEREST IN MULTI-STOREY INDUSTRIAL BUILDING

Industries	DUKE-DUCHESS AREA		BATHURST-NIAGARA AREA	
	% Firms Interested in Modern Multi-Storey Industrial Building	Probable Average Rent * $ per sq.ft. per year	% Firms Interested in Modern Multi-Storey Industrial Building	Probable Average Rent * $ per sq.ft. per year
Manufacturing: M-1	60%	$1.00	71%	$1.10
M-2	82	.95	75	.90
M-3	67	1.10	75	.90
M-4**	-	-	-	-
Wholesale ***	60	1.20	61	.95
Service ****	40	.90	33	1.15 *****
All Industries	60%	$1.05	63%	$ .95

* Not all interested firms replied to the question about the rent they would be willing to pay.
** Only one reply
*** Excluding Scrap Dealers
**** Excluding Motor Vehicle Repair Firms
***** Only two replies

As indicated in Table 15 a majority of the firms in each survey Area expressed interest in renting such space at an average rental of about $1.00 per square foot per year. This figure includes heat, real estate taxes and insurance but excludes parking space. A few firms expressed willingness to pay a rental as high as $2.00 per square foot per year for satisfactory space in a modern multi-storey industrial building. However, a more realistic upper limit to the probable rental range would be approximately $1.50 per square foot per year.

MANUFACTURING & WHOLESALE FIRMS INTERESTED IN RENTING SPACE IN MODERN MULTI-STOREY INDUSTRIAL BUILDINGS.

The medium-size manufacturing firms (6,000 sq. ft. - 50,000 sq. ft. floor area) in both Areas showed the most interest in modern multi-storey rental industrial buildings, whereas service industries in both Areas were the least attracted. Service firms such as contractors, welders, laundries, etc., would be handicapped by, rather than benefit from a location in a multi-storey building.

The firms were also asked if they would be likely to purchase land for building purposes if the City would make land in the Area available by razing old buildings. Over half the firms indicated they would be interested in such a proposition. Manufacturing firms, in particular, were in favour of land purchase for building purposes.

Many of the replies to this question were casual and possibly did not reflect a serious intent. The feeling was "if it's a good deal, why not?". While the replies indicate some interest, they should be accepted with caution.

Current Rents

Table 16 shows that medium-size manufacturing firms (6,000 square feet - 50,000 square feet floor area) were paying the lowest average rentals - of around $0.60 per square foot per year - whereas the small-size manufacturing firms (less than 6,000 square feet), wholesale and service firms (excluding scrap dealers and auto repair) were in the $0.80 - $0.90 range. All large manufacturing firms (over 50,000 square feet) occupied their own premises.

AVERAGE RENTAL AT PRESENT IS $0.78 PER SQ. FT. PER YEAR. SMALL-SIZE PLANTS PAY MORE THAN AVERAGE.

The median rentals for the above industries were calculated and in each case were found to be slightly higher than the average rental. This indication that a majority of firms paid rents higher than the average rental.

T A B L E 16

AVERAGE RENTALS *

Industries	DUKE-DUCHESS AREA		BATHURST-NIAGARA AREA	
	All Firms ** $ per sq.ft. per year	Firms in Location Since 1958 $ per sq.ft. per year	All Firms ** $ per sq.ft. per year	Firms in Location Since 1958 $ per sq.ft. per year
Manufacturing: M-1	$ .82	$ .86	$ .92	$ .92
M-2	.65	.58	.63	.63
M-3	.41 ****	.43 ****	.62	.56
M-4	-	-	-	-
Wholesale ***	.87	.46 ****	.79	.72
Service ***	.87	.92	.85 ****	.97 ****
All Industries	$ .78	$ .77	$ .77	$ .75

* Rent includes heat, insurance and real estate taxes.
** All firms replying excluding those paying rents to parent firm or relatives.
*** Excluding scrap dealers and motor vehicle repair firms.
**** One or two firms only.

No significant difference was found between the average rentals of all firms and of those firms moving into their interviewed locations since 1958 because the majority of renting firms located during this period.

By comparing Table 16 with Table 15 it can be seen that the average rentals being paid were less than the probable average rentals firms were prepared to pay in new multi-storey industrial buildings, indicating a willingness by the majority of manufacturing and wholesale firms to pay more rent for better buildings and facilities.

Parking

The parking information gathered in the survey was not sufficient to permit detailed analysis of parking needs and to locate points of parking deficiencies. However, parking characteristics of the industries were noted and a comparison made of the Areas' present parking provisions with the by-laws of the City of Toronto and other cities in Canada and the U.S.A.

Each firm in the survey Areas was asked how many off-street parking spaces it possessed. This included parking spaces on the firm's property, on other property, leased spaces in commercial parking lots and garages, and licensed boulevard parking. It did not include any on-street parking.

The Duke-Duchess Area was found to have 999 parking spaces and the Bathurst-Niagara Area 625 spaces for use by industrial employees and visitors*.

Table 17 shows that the manufacturing industries generally provided less parking than the wholesale and service industries. As expected, the service industries had the most facilities in proportion to employment. This is, of course, due to the relatively large customer parking demand among service firms. In terms of parking spaces available for use by employees, the service industries were little different from the other industries. For example, by not including one firm's 50 visitor parking spaces, the ratio of employees per parking space for the service industries in the Bathurst-Niagara Area would have increased from 1.1 to 2.0.

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* Parking spaces in scrap yards and in motor vehicle repair firms were not included in these and the following parking statistics. This was because parking spaces in scrap yards tend to be temporary and undefinable and in motor vehicle and repair garages a distinction cannot be made between spaces used for vehicles under repair and those used by employees and visitors.

MANUFACTURING FIRMS PROVIDE LESS PARKING FACILITIES THAN WHOLESALE AND SERVICE FIRMS.

The two ratios in Table 17 of floor area per parking space and of employees per parking space furnish a comparative index of the facilities provided by the various firms and industries. High ratios for the manufacturing industries in the Bathurst-Niagara Area indicate relatively poor parking facilities. This is a product of two related factors - the Area's predominant garment, textile and leather firms and its high female employment. Most of these firms are located in multi-storey rental buildings with little parking space being provided by the building owners or tenants. Female employees, who constitute the majority of their employees, make little use of automobiles for work trips. These two factors - less parking demand and less parking supply - combine to create the prevailing high ratios in the manufacturing industries in the Bathurst-Niagara Area.

Size of manufacturing firms did not appear to be the cause of poor parking facilities. Although large firms (over 50,000 square feet) in the Duke-Duchess Area and firms in the 14,000 square feet - 50,000 square feet range in the Bathurst-Niagara Area had the highest ratios, this was a result of type of firm rather than size of firm.

T A B L E 17

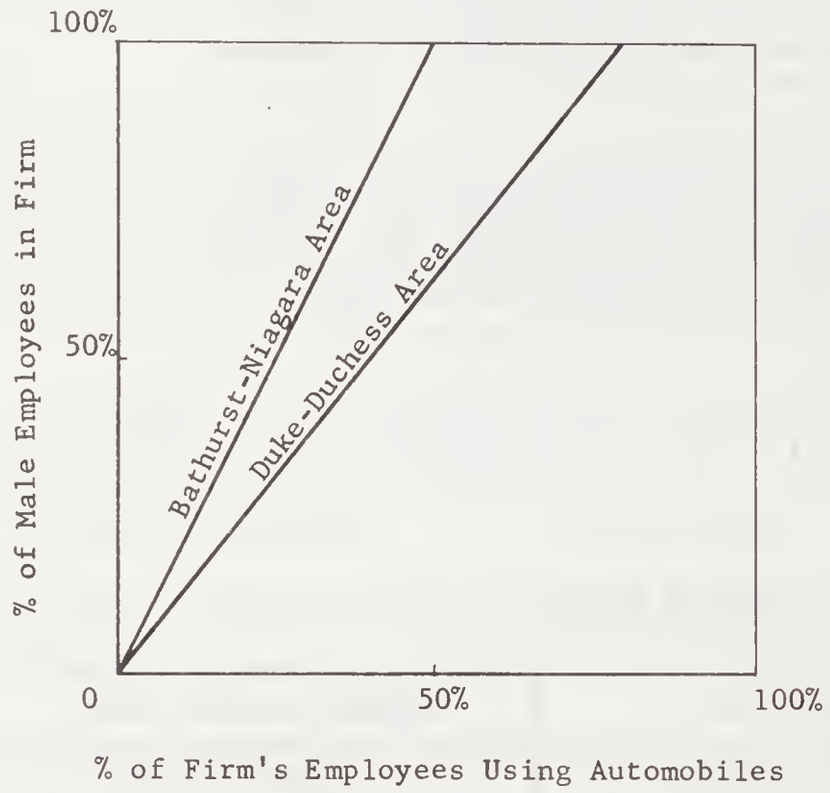
PARKING SPACES

Industries	DUKE-DUCHESS AREA			BATHURST-NIAGARA AREA		
	Number of Parking Spaces	Industrial Floor Area per Parking Space	Employees per Parking Space	Number of Parking Spaces	Industrial Floor Area per Parking Space	Employees per Parking Space
Manufacturing	630	1,013	3.0	346	2,281	6.3
Wholesale *	190	1,527	3.9	165	1,092	1.5
Service **	179	1,187	1.2	114 ***	808	1.1
All Industries	999	1,142	2.4	625	1,700	4.1

* Excludes Scrap Dealers
** Excludes Motor Vehicle Repair Firms
*** Includes 50 parking spaces for one firm's customers

Wholesale industries in the Bathurst-Niagara Area had relatively low ratios of floor area per parking space and employees per parking space, indicating that the predominant machinery and metal firms provided better than average provision for parking.

F I G U R E 6



By plotting percent of male employees against the percent of all employees using automobiles in each firm and applying a best-fit curve a direct positive correlation was confirmed (see Figure 6). This does not necessarily mean that for each additional male employee, there is one more automobile brought to work. A more realistic interpretation would be that with increasing male employment there is greater use of automobiles by male employees, both as driver and passenger, and more opportunities for female employees to obtain a ride.

WITH INCREASING MALE EMPLOYMENT IN A FIRM, THERE IS GREATER USE OF AUTOMOBILES BY EMPLOYEES.

Although the best-fit curves for the two survey Areas did not coincide, a general straight-line relationship was common to both areas, the major difference being their slopes.

Comparison of Parking Facilities in Survey Areas and By-law Requirements in Toronto and Other Cities

The present City of Toronto Zoning By-law requires one parking space to be provided for every 400 square feet of floor area devoted to manufacturing purposes. There is no parking requirement for wholesale or service industrial firms other than for the office operation of the firm.

T A B L E 18

PARKING RELATED TO INDUSTRIAL FLOOR SPACE

Industries	DUKE-DUCHESS AREA		BATHURST-NIAGARA AREA	
	% Firms with more than one parking space per 400 Sq. Ft. floor area	% Firms with more than One parking space per 1,000 Sq. Ft. floor area	% Firms with more than one parking space per 400 Sq. Ft. floor area	% Firms with more than one parking space per 1,000 Sq. Ft. floor area
Manufacturing	18%	49%	5%	18%
Wholesale *	13	20	9	36
Service **	25	60	22	56
All Industries	19%	48%	8%	27%

* Excludes Scrap Dealers
** Excludes Motor Vehicle Repair Firms

As can be seen in Table 18, only 5% of the manufacturing firms in the Bathurst-Niagara Area and 18% in the Duke-Duchess Area are able to meet the By-law requirements.* Assuming 1,000 square feet of floor area per parking space as a norm, only 18% of the manufacturing firms in the Bathurst-Niagara Area and 49% in the Duke-Duchess Area could meet these standards.

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* The parking spaces in this survey were all those available to the firm. Possibly several of these spaces were provided in a manner other than that required by the zoning by-law. Accordingly this comment on the relationship between parking provided and By-law standards is in terms of the intent of the By-law rather than its specific requirement.

By-law parking requirements vary from city to city. The following review of several cities' by-law parking requirements shows that Toronto's is among the most stringent and that the present parking provisions in the Duke-Duchess Area and Bathurst-Niagara Area fell short of these standards.

TORONTO'S ZONING BY-LAW PARKING REQUIREMENT FOR MANUFACTURING BUILDINGS IS AMONG MOST STRINGENT IN NORTH AMERICA.

T A B L E 19

BY-LAW PARKING REQUIREMENTS

City	M A N U F A C T U R I N G		W A R E H O U S I N G	
	Parking Space per Floor Area	Parking Space per Employee	Parking Space per Floor Area	Parking Space per Employee
Toronto	1 per 400 sq.ft.	-	-	-
New York	1 per 1000 sq.ft. or 1 per 3 empl. (whichever is greater)		1 per 2000 sq.ft. or 1 per 3 empl. (whichever is greater)	
Detroit	-	1 per 5 empl.	-	-
Pittsburgh	-	1 per 5 empl.	-	-
Philadelphia	1 per 300 to 2400 sq. ft. (depending upon district)	-	1 per 1500 to 3700 sq. ft. (depending upon district)	-
Scarborough, Ontario	1 per 1000 sq. ft.	-	-	-
Vancouver	1 per 1000 sq. ft. or 1 per 5 empl. (whichever is greater)		-	-
8 Canadian Cities	-	1 per 2 to 5 empl.	-	1 per 2 to 5 empl.
7 Canadian Cities	1 per 300 to 1000 sq. ft.	-	1 per 200 to 2000 sq. ft.	-

The present Toronto parking standards are so high as to inhibit construction of new manufacturing buildings in the City. On the other hand parking standards for wholesale and service type industrial buildings are so low that they only provide for the office section of a firm. Yet wholesale and service industries do have employees, although in smaller numbers per given plant floor area, in other than the office operation. In addition, wholesale and service firms are likely to have a higher visitor parking demand than manufacturing firms. No specific requirement for visitor parking is provided in the industrial section of the Zoning By-law.

It would appear that the parking standards for manufacturing buildings should be lowered to make them comparable to those in effect in other North American cities, and the standards raised for wholesale and service industrial buildings. A suitable new standard would be one parking space for every 1000 square feet of floor area, or 1 space per 4 employees on any one shift, whichever is the greater.

The same parking standard is desirable for all three industries, manufacturing, wholesale and service. Although manufacturing industries with their higher employee density have greater employee parking needs than wholesale and service industries, this is balanced by the much greater visitor parking needs of the wholesale and service industries.

In cases of buildings for certain manufacturing firms with known high proportions of female employees a further reduction in parking standards could be considered, in view of the few employees using cars in such plants. However, exceptions to parking standards would be difficult to administer because of the mobility of industrial firms.

Among manufacturing firms known to have high proportions of female employees in Metro Toronto are:

Garment, Textile and Leather
Knitting Mills
Communication Equipment
Pharmaceutical and Toilet preparations
Confectionery
Fruit and Vegetable
Toys and Games

TRANSPORTATION

Movement of People

One of the questions asked in the survey was how many employees use automobiles for the journey to work either as a driver or as a passenger. By subtracting the number using automobiles from the total employment, the number of employees using public transportation to and from work was determined. (It was assumed that an insignificant number of persons walk to work).

T A B L E 20

EMPLOYEES USING PUBLIC TRANSPORT TO & FROM WORK

Industries	DUKE-DUCHESS AREA		BATHURST-NIAGARA AREA	
	% Employees Using Public Transport	% Female Employees in Industrial Category	% Employees Using Public Transport	% Female Employees in Industrial Category
Manufacturing	42 %	24 %	87 %	57 %
Wholesale	63	40	41	25
Service	74	12	55	18
All Industries	50%	28%	77%	52%

The figures in Table 20 show that most of the workers in the Bathurst-Niagara Area use public transportation to and from work, whereas only half the workers in the Duke-Duchess Area do so. Manufacturing employees in the Bathurst-Niagara Area comprise the largest industrial category using public transportation. The manufacturing industries in the Bathurst-Niagara Area dominated by the garment, textile and leather firms, have the highest percentage of female employment in the survey Areas (see Table 20) and this mainly accounts for the high percentage of employees using public transportation.

Both survey areas are well served by T.T.C. surface routes. The east-west routes - King Street and Queen Street streetcar lines - are common to both areas. The north-south routes are - Bathurst Street streetcar line in the Bathurst-Niagara Area, and the Parliament Street streetcar and Sherbourne Street bus lines in the Duke-Duchess Area.

PUBLIC TRANSPORTATION VITAL FOR INDUSTRIAL FIRMS WITH HIGH FEMALE EMPLOYMENT.

An extensive and efficient public transportation network is essential for satisfying the labour needs of industry, particularly for those firms relying heavily on female employment. Thus, the downtown area which is the focus of far-reaching public transportation lines, is and will remain attractive to firms requiring many female employees and/or desiring to draw their employees from as wide a labour force as possible.

Movement of Goods

The prime movement of goods, raw, processed or finished, to and from the interviewed firms was by motor truck. Direct rail access was available only to eleven firms in the survey areas and of these, only four firms reported using the rail siding. Use by these firms varied from one car to one hundred and twenty-five cars a week.

T A B L E 21

TRUCK MOVEMENTS *

Industries	DUKE-DUCHESS AREA			BATHURST-NIAGARA AREA		
	Weekly Truck Movements	% of Total Weekly Movements	% Firms in Industrial Category	Weekly Truck Movements	% of Total Weekly Movements	% Firms in Industrial Category
Manufacturing	5,022	47%	48%	2,211	59%	63%
Wholesale	3,359	32	21	989	26	21
Service	2,213	21	31	566	15	16
Total	10,594	100%	100%	3,766	100%	100%

* Truck movement means a trip to and from (or vice versa) a firm.

Table 21 shows the total weekly truck movements to be considerably greater in the Duke-Duchess Area - nearly three times the total of Bathurst-Niagara Area. Even after subtracting one manufacturing firm's extremely large weekly movement of over 2,000 from the total in the Duke-Duchess Area and taking into account the greater number of firms, there are still nearly twice as many movements as in the Bathurst-Niagara Area. This is a result of large volumes generated by five firms in the wholesale and service industries in the Duke-Duchess Area.

T A B L E 22

TRUCK ACCESSIBILITY RATING

Industries	DUKE-DUCHESS AREA			BATHURST-NIAGARA AREA		
	Good	Fair	Poor	Good	Fair	Poor
Manufacturing	55 %	27 %	18 %	43 %	43 %	14%
Wholesale	74	22	4	60	20	20
Service	64	36	0	82	18	0
All Industries	52%	29%	19%	53%	34%	13%

Just over half the firms in each survey Area felt the accessibility to premises for trucks was good, about a third considered it fair and the remainder said it was poor.

Manufacturing industries in the Bathurst-Niagara Area gave the lowest overall rating to truck accessibility, whereas the service industries in the same Area gave the highest overall rating. Over half the firms in both survey Areas said they have some kind of access for tracto-trailers. Very few of the firms which couldn't handle trailers felt that it would be advantageous to have such facilities.

The problems associated with truck movements may be divided into those relating to the building and its property, and those pertaining to the adjacent alley and street. Of the latter type, lack of manouvering space in the alley and traffic congestion in the street were the main problems; street parking interference was secondary while actual congestion in the alley and lack of manouvering space in the street were minor problems.

Inadequate loading facilities and poor layout were the major problems relating to the building and its property. A secondary problem - the lack of manouvering space on the property was not mentioned too often since most of the comments were directed to lack of space in the public street and/or alley.

CHAPTER V

INDUSTRIAL MOBILITY

T A B L E 23

MOVEMENT OF FIRMS FROM SURVEY AREAS 1953-1962

	DUKE-DUCHESS AREA		BATHURST-NIAGARA AREA	
	No. of Firms	%	No. of Firms	%
Firms listed in 1953 City Directory *	162	100 %	109	100 %
Above Firms Not Listed in 1963 Telephone Directory **	63	39	48	44
Firms Identified in 1963	99	61%	61	56%
Firms Identified in 1963	99	100 %	61	100 %
Firms Remaining in Survey Area Since 1953	48	48	29	48
Firms Moving From Survey Area Between 1953-62	51	52%	32	52%

* City Directory lists firms operating during previous year.

** Telephone Directory lists firms operating at beginning of year.

There has been a great deal of movement of industrial firms into and out of the survey Areas. Also an unknown number of firms may be presumed to have gone out of business. Table 23 is a summary of these movements and assumed business cessations in the two survey Areas.

Of the 62 industrial firms in the Duke-Duchess Area listed in the 1953 City Directory, 63 firms were not listed in the 1963 Telephone Directory. Similarly, 48 out of 109 firms in the Bathurst-Niagara Area were not listed in 1963. These firms may have gone out of business; may have changed names and therefore, were not traceable, or may have moved out of the area covered by the Toronto and Vicinity Telephone Directory.

MORE THAN HALF SURVEY AREAS' 1953 FIRMS MOVED BETWEEN 1953-1962.

Of the 99 firms identified in 1963, 48 firms had remained in the Duke-Duchess Area since 1953. Similarly, 29 out of 61 firms identified in 1963 had remained in the Bathurst-Niagara Area since 1953. Thus, during the ten-year period 1953-1962, 51 firms were identified which moved from the Duke-Duchess Area and 32 which moved from the Bathurst-Niagara Area. By coincidence, this meant 52% of the firms in each survey Area definitely moved out to other locations during the ten-year period. Because of the uncertainty as to what may have happened with firms that were not traceable, the actual movement out of the Areas would have been greater than indicated by these figures.

In addition to the relocations noted above, a number of firms may have moved into and out of the survey Areas between the years 1953 and 1962 that served as the checking points. There is no measure of how many these may have been.

ONE-THIRD OF FIRMS MOVING FROM SURVEY AREAS LOCATED IN SUBURBS.

The pattern of movements was similar for industrial firms in both survey Areas. Less than half the firms moving from each area located in other downtown locations. About a fifth of the firms moved to other city locations. About a third moved to the suburbs. Approximately 5% left Metro Toronto.

T A B L E 24

DISTRIBUTION OF FIRMS MOVING FROM SURVEY AREAS 1953-1962

	DUKE-DUCHESS AREA		BATHURST-NIAGARA AREA	
	No. of Firms	%	No. of Firms	%
Moved to Downtown Location	25	49 %	13	41 %
Moved to Other City Location	8	16	7	22
City Sub-Total	33	65%	20	63%
Moved to Suburban Location *	15	29 %	11	34 %
Moved to Outside Metro Location	3	6	1	3
Total Moved From Survey Area 1953 - 1962	51	100%	32	100%

* 24 firms interviewed in suburbs due to merger of 4 Bathurst-Niagara Area firms into 2 firms .

Description of Industries Moving from Survey Areas to Suburbs

T A B L E 25

NUMBER, EMPLOYMENT AND FLOOR AREA OF SUBURBAN FIRMS *
(Formerly in Survey Areas)

Industries	Firms	Employment		Floor Area
	No.	Male & Female	Female	Sq. Ft.
Manufacturing				
1 - 13,999 sq. ft.	3	27	6	18,900
14,000 sq. ft. + **	8	334	109	262,800
Wholesale	11	409	94	225,900
Service	2	245	38	215,000
Total	24	1,015	247	722,600

* Includes firms resulting from merger of several companies or from consolidation of several operations previously carried out in separate locations.

** Excludes Employment and Floor Area of one large firm that previously had only small warehouse in Duke-Duchess Area.

In order to further evaluate the kind of industrial movement from the City to the suburbs and the reasons for it, twenty-four suburban firms, about one-third of the firms that had been identified as having formerly located in the survey Areas, were interviewed and their answers noted in a questionnaire similar to that used in the survey Areas. Fifteen of the firms had moved from the Duke-Duchess Area and nine firms had moved from the Bathurst-Niagara Area.

The twenty-four firms comprised eleven in each of the manufacturing and wholesale industries and only two service firms. The small number of service firms moving to the suburbs supports the conclusion that the downtown area remains most attractive for the service industries.

VERY FEW SERVICE FIRMS MOVED TO SUBURBS.

Three of the firms presently classified as manufacturing, did not perform this function in their previous downtown locations. As a result of the move to larger quarters these firms were able to change to, or add, manufacturing as their predominant industrial function. Two were former wholesalers in the Duke-Duchess Area that added manufacturing as the predominant function after the move to the suburbs. One was a former service firm in the Duke-Duchess Area that changed to manufacturing after the move to the suburbs.

Manufacturing:- The chemical industry, with four firms is the largest of the manufacturing industries moving from the survey Areas to the suburbs. Three chemical firms moved from the Duke-Duchess Area and two of these were as previously noted, former wholesalers that moved from a public warehouse.

The machinery and metal industry, the printing and publishing industry and the wood and furniture industry, each had two firms. No garment, textile and leather firm moved from the survey Areas to the suburbs, although this industry was the largest of the manufacturing industries in the Bathurst-Niagara Area.

Wholesale:- The largest group of the wholesale industries moving from the survey Areas to the suburbs was the machinery and metal group with five firms. Four of these firms moved from the Duke-Duchess Area.

Two motor vehicle and accessories firms formed the second most significant group.

Ownership

T A B L E 26

BUILDING OWNERSHIP OF SUBURBAN FIRMS

Industries	Interviewed Suburban Firms Owning Premises In...			
	Previous Downtown Location		Present Location	
	Number	% of Industrial Category	Number	% of Industrial Category
Manufacturing	3	27 %	10	91 %
Wholesale	2	18	5	45
Service	2	100	2	100
Total	7	29%	17	71%

Ownership:- The percentage of firms owning their premises increased markedly after the firms moved from the survey Areas to the suburbs. Seventy-one percent of the firms own their present suburban premises whereas only 29% owned the premises they occupied in the Duke-Duchess and Bathurst-Niagara Areas.

BUILDING OWNERSHIP INCREASES WHEN FIRMS MOVE TO SUBURBS.

The increase in plant ownership was most noticeable among the manufacturing firms which showed a rise from 27% to 91%. In fact, all but one of the manufacturing firms now own their suburban premises.

FLOOR AREA SIZE INCREASES WHEN FIRMS MOVE TO SUBURBS.

Table 25 shows the preponderance of medium and large-size manufacturing firms among those relocating in the suburbs. Although previous plant floor areas for all eight of these medium to large-size manufacturing firms is not known, comparing the previous floor areas of five firms for which information is available with their present floor areas shows an increase from a total of 35,000 square feet to 152,000 square feet, and an increase in the floor space occupied by each firm.

Wholesale firms also showed an increase in size after their move to the suburbs.

Information was not available to permit a comparison in the floor space trend of the service firms.

Location Factors

Chapter III described the rating of relative importance of various location factors by the firms in the Duke-Duchess and Bathurst-Niagara Areas.

In interviewing firms that had moved from the survey Areas to the suburbs, similar ratings were requested.

T A B L E 27

RANKING OF LOCATION FACTORS BY SUBURBAN FIRMS
(Formerly in Survey Areas)

Industries	Delivery To Customer	Labour Skill	Capital Investment
Manufacturing	1	2	4
Wholesale	1	2	4
Service	1	4	2
All Industries	1	2	3

DELIVERY TO CUSTOMER RANKS FIRST AS A LOCATION FACTOR IN THE SUBURBS.

Table 27 shows that convenience in deliveries to customers was considered the most important location factor by the suburban firms. At first glance one would question this ranking in view of the firm's preferences for suburban locations where delivery to customers is not necessarily better than in the city. However, further analysis shows that only 17% of the interviewed suburban firms stated that a majority of their customers were in Metro Toronto. In fact, 54% of the firms had less than one-quarter of their customers in Metro Toronto, whereas a majority of the interviewed firms in the Duke-Duchess and Bathurst-Niagara Areas had most of their customers within Metro Toronto. Delivery to customers can therefore be assumed to be satisfactory for suburban firms, particularly when their customers are outside Metro Toronto.

Labour skill was ranked the second most important location factor by the suburban firms. The firms experienced no difficulty in obtaining the required labour skills in their new suburban locations. A high proportion of male employees in these firms indicates high automobile usage which in turn permits access to all suburban locations. Thus, the suburban firms become independent of public transportation facilities as a means of transporting the necessary working force.

Capital investment ranked as the third location factor by the suburban firms. This relatively high ranking reflects the large amounts of capital recently expended by the firms in establishing themselves in their suburban premises and also indicates little likelihood of these firms moving from their plants in the near future.

As was the case in the survey Areas, availability of materials ranked generally low as a location factor by the suburban firms. Fifty percent of the firms had less than one-quarter of their sources of materials and/or services within Metro Toronto. Wholesale firms in particular received most of their supplies from outside Metro Toronto.

Despite the low overall rating of materials, several firms did locate in specific suburban areas to be closer to or have easier access to their major suppliers or parent company.

Other locational advantages mentioned in the suburban survey were:-

(a) close to truck terminals
(b) close to airport.

Problems in Suburban Locations

There was no predominant problem among the suburban firms. However, there were a variety of problems mentioned once or twice at the most. These were:-

(a) Poor public transport
(b) Poor access to major roads
(c) Limited labour pool in adjacent area
(d) Long commuting distance for some employees
(e) Far from customs clearance facility
(f) Far from central business facilities such as banks etc.
(g) Less than carload freight loading is inconvenient.

T A B L E 28

REASONS* FOR MOVE FROM SURVEY AREAS TO SUBURBS

Reason	No. of Replies*
Needed Space For Expansion	17
Bad Loading Facilities	14
Insufficient Parking Space	14
Merger Or Consolidation Of Operation	5
Wanted Prestige Building and Location	4
Needed Outside Storage Area	3
Building Sold Or Expropriated	3
Needed One Floor Operation	2
Change In Public Warehouse Rates and Facilities	2

* There are more replies than firms. Most firms mentioned more than one reason. Therefore, "reason" is not necessarily "major reason".

The reason most often given by the firms for moving from downtown locations to the suburbs was the "need for space for expansion". The need for space was mentioned more frequently among the manufacturing firms than by the other industries. This is borne out by the fact that the increase in manufacturing floor areas after relocation was approximately four-fold whereas with wholesale floor areas it was less than two-fold.

SUBURBAN FIRMS MOVED FOR SAME REASONS AS THOSE FIRMS INTENDING TO MOVE FROM SURVEY AREAS.

Need for space for expansion was found to be the predominant major reason for moving among all industrial firms. It is common to those that moved from the survey Areas, those that moved into the survey Areas and for those that are contemplating a move from the survey Areas. For some firms, it is the only reason for moving, for others it is one of a number of reasons and for others it is the last in a series of problems that finally triggers the move. In other words, a firm may continue to operate under such handicaps as bad loading facilities and lack of parking space, etc., but when in addition, shortage of space arises, it is the precipitant - "the straw that breaks the camel's back". There can be no substitute and little improvisation to solve space problems.

Other reasons for moving to the suburbs that were given quite frequently were the bad loading facilities and insufficient parking space. These were stressed more by the wholesalers than by others. Bad loading facilities and insufficient parking space, however, were not considered to be major reasons for moving by many firms intending to move from the survey Areas, or by many of the firms that moved to the survey Areas between 1943 and 1963 (see Tables 11 and 12). This confirms the statement that loading facilities and insufficient parking space are usually contributory reasons for moving and only occasionally the major reasons.

Objectionable Features in Survey Areas

T A B L E 29

OBJECTIONABLE FEATURES IN SURVEY AREAS
(where suburban firms formerly located)

Industries	Traffic	Vandalism	Dilapidated Area	Dust & Dirt
Manufacturing	55%	36%	9%	9%
Wholesale	45	55	45	36
Service *	50	0	50	0
All Industries	50%	42%	29%	21%

* Two-firm sample too small to be reliable.

All firms were requested to list what they considered to be the objectionable features of the survey Areas where they were formerly located. Table 29 shows that traffic was thought to be the worst disadvantage in the Area, followed by vandalism. General dilapidation and dust and dirt were also considered by many wholesale firms to have been objectionable but only one manufacturing firm had been disturbed by these features.

Fumes and smoke listed as objectionable features by a third of the firms interviewed in the survey Areas were hardly mentioned by the suburban firms that had previously been located in the Areas.

Advantages of Survey Areas

Centrality and proximity to downtown was the main advantage of the survey Areas in the view of suburban firms that have formerly been located there. Benefits derived from the central downtown location were a wider and/or cheaper labour pool and shopping facilities for employees, particularly for female employees. Another advantage mentioned was the availability of good public transportation for employees. The lack of good public transportation in the suburbs is mainly responsible for the fact that 90% of the firm's employees used automobiles for the trips to and from work.

SUBURBAN FIRMS THINK MAIN ADVANTAGE OF FORMER LOCATION WAS CENTRALITY AND PROXIMITY TO DOWNTOWN.

Attitude to City Location

One-third of the suburban firms stated they had considered other City locations before moving from the survey Areas. It may be assumed that these City locations did not satisfactorily solve the problems which brought about the firms' needs for other premises. As to whether they would have considered,before moving to the suburbs, the purchase of land for building purposes that the City might have made available in the Area by razing old buildings, over half (58%) of the firms replied in the affirmative. A similar proportion of firms interviewed in the survey Areas also expressed interest in such a proposition.

As previously mentioned in this report, however, caution should be exercised before interpreting replies to this question as a true reflection of their attitude to City industrial locations.

With regard to rental space in modern downtown multi-storey industrial buildings provided with adequate parking and shipping facilities, only 21% of the suburban firms felt they would have considered it. The fact that a much higher proportion (60%) of the firms interviewed in the survey Areas found this idea attractive, indicates a desire by some suburban firms for plant ownership and also the need for some firms for specialized buildings with ground floor occupancy and/or large outside storage area.

In the event of ever having to move again, 42% of the suburban firms said they would consider one of the above two proposals. However, it is doubtful if much consideration would really be given unless the financial terms of such proposals were unusually attractive—more attractive than would be required to interest downtown industrial firms wanting a new location.

Attitude to Metro Toronto Location

Most of the suburban firms (67%) said that prior to moving to their present locations, they had no preference for any particular Area within Metro Toronto. The remaining firms (33%) had preferred to locate west of Yonge Street. Not one firm had preferred a location east of Yonge Street. Actually, only two firms (8%) finally located east of Yonge Street. Thus, the large majority of the firms moved from their former survey Area locations in a westerly and north-westerly direction.

CHAPTER VI

COMPARISON WITH PREVIOUS INDUSTRIAL STUDY

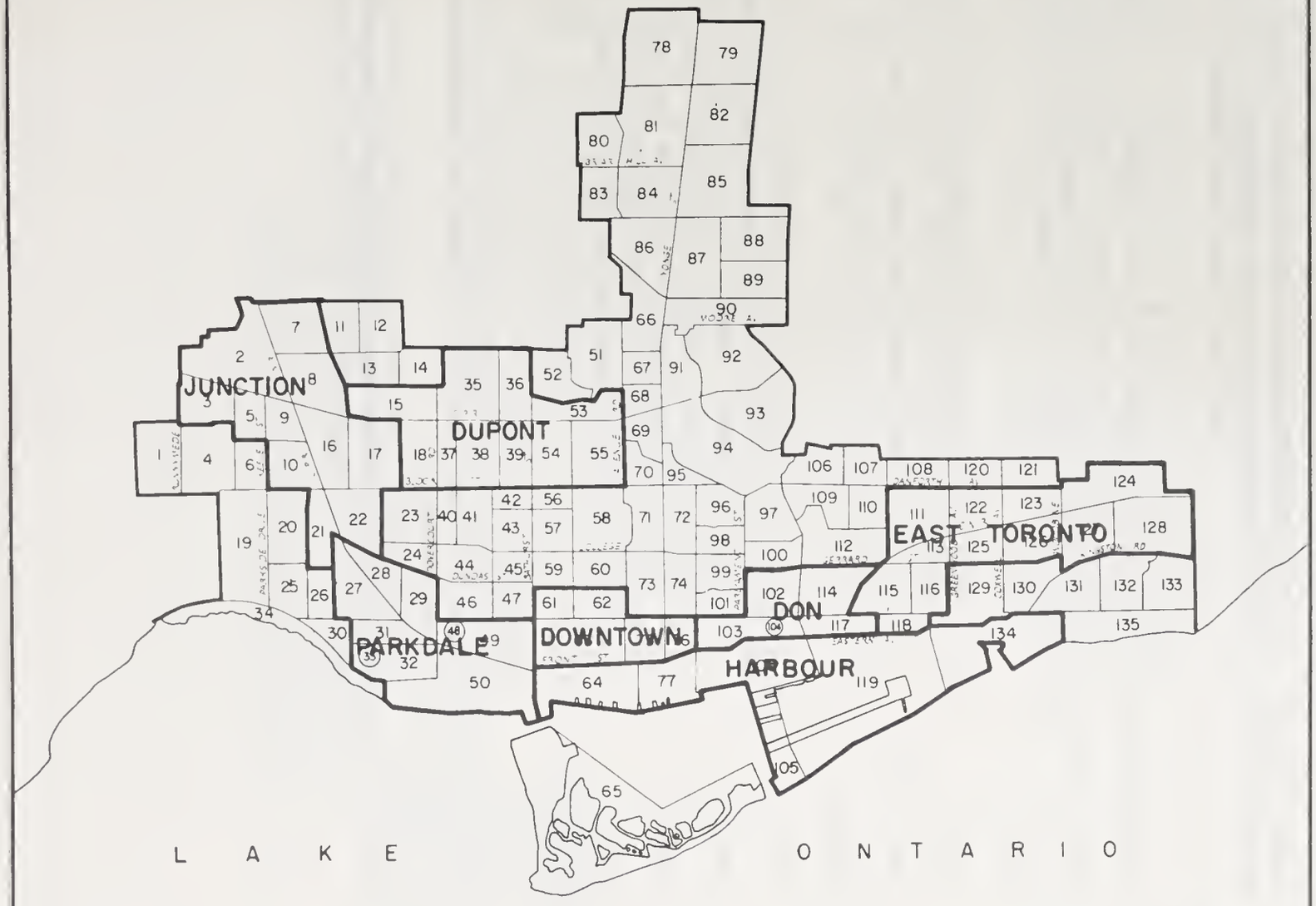
The results of the Duke-Duchess and Bathurst-Niagara survey were compared with those published in the report "Industry and Warehousing in the City of Toronto".

The 1961 study gathered data and opinions from firms in the manufacturing and wholesaling industries as well as the construction, warehousing and transportation groups of the service industries. The service industries were, therefore not as fully covered as in the present survey which embraced all groups. For instance, the motor vehicle repair industry was not included in the 1961 study. However, this is not a serious enough variation to prevent comparison of the results of the 1961 study with the present one.

The 1961 study was based on a sample interview-type survey of firms in the City of Toronto. For survey and analysis purposes the City was divided into seven Industrial Areas, which do not coincide with Planning Districts normally adopted for study.

The Duke-Duchess Area falls within the Don Industrial Area of the earlier study and the Bathurst-Niagara Area is part of the Parkdale Industrial Area.

Fig. 7



LEGEND

- CITY BOUNDARY
- CENSUS TRACT BOUNDARY
- 27 CENSUS TRACT NUMBER
- INDUSTRIAL AREA (AS DEFINED IN 1961 "INDUSTRY AND WAREHOUSING" REPORT)

CITY OF TORONTO

2 miles
5000 0 5000 10000 feet

CITY OF TORONTO PLANNING BOARD 1964

Firms Intending to Move

T A B L E 30

FIRMS INTENDING TO MOVE

Survey Area or Industrial Area	% of Firms Intending to Move	% of Firms Intending to Move Out of City	% of Firms Located 1951-1960
Duke-Duchess Area	12%	7% *	56% (1953-1962)
Bathurst-Niagara Area	14	6 *	60 (1953-1962)
Don **	22	13	43 (1945-1956)
Don ***	29	25	21
East Toronto	23	19	38
Parkdale	22	12	49
Harbour	16	11	36
Downtown	10	6	53
Junction	10	8	44
Dupont	11	10	38

* The percentage eventually might be higher if some firms do not find suitable space in City.

** Includes only Manufacturers west of Don River (Source: "Manufacturing in Downtown Toronto", Geographical Bulletin No. 10, 1957).

*** Excludes Manufacturers west of Don River.

The percentage of firms intending to move from each of the survey Areas corresponds closely to that of four of the Industrial Areas studied earlier - Harbour, Downtown, Junction and Dupont. Twelve percent of the firms in the Duke-Duchess Area and 14% in the Bathurst-Niagara Area intend to move. Table 30 shows four of the Industrial Areas defined in the previous study having from 10% to 16% of the firms indicated an intention to move, whereas in the other three Industrial Areas from 22% to 29% of the firms expressed this intention.

Similarly, the percentage of firms intending to move out of the City from each of the survey Areas corresponds closely to those of the four Industrial Areas noted previously.

Although the Duke-Duchess and Bathurst-Niagara Areas are located in the Don and Parkdale Industrial Areas of the earlier study, respectively, the percentages of firms with the intention of moving from these Areas corresponds more closely to those of the Downtown and Harbour Industrial Areas which adjoin the survey Areas.

With respect to the firms that had moved into their present locations, the survey Areas and the Downtown Industrial Area have similar characteristics. Over half the firms moved into these Areas during the ten-year period preceeding the interview date.

In the 1961 study, the Downtown Industrial Area, with the greatest percentage of firms locating during 1951-60 (53% of the interviewed firms) had the smallest percentage of firms intending to move from the City (6% of the interviewed firms). In the present survey the Duke-Duchess and Bathurst-Niagara Areas similarly had high percentages of firms locating during 1953-62 (56% and 60% respectively), and also had small percentages of firms intending to move from the City (7% and 6% respectively).

Conversely, the Don Industrial Area with the smallest percentage of firms locating during 1951-60 (21%), had the greatest percentage of firms intending to move from the City (25%).

Movement characteristics of industrial firms in the Duke-Duchess and Bathurst-Niagara Areas are therefore similar to those of firms in the Downtown Industrial Area of the previous study.

MOVEMENT CHARACTERISTICS OF SURVEY AREA FIRMS SIMILAR TO THOSE OF DOWNTOWN INDUSTRIAL AREA FIRMS (PREVIOUS 1961 STUDY).

Reasons for Move

T A B L E 31

MAJOR REASON FOR FIRM'S INTENDED MOVE

Survey Area or Industrial Area	Predominant Major Reason for Intended Move	Second Major Reason * for Intended Move
Duke-Duchess Area	Need for space for expansion	–
Bathurst-Niagara Area	Need for space for expansion	–
Don **	Need for space for expansion	Obsolescent bldg.
Don ***	Need for space for expansion	Obsolescent bldg. in bad neighbourhood
East Toronto	Need for space for expansion	–
Parkdale	Need for space for expansion	–
Harbour	Building expropriated	Need for space for expansion
Downtown	Need for space for expansion	Obsolescent bldg.
Junction	Need for space for expansion	Obsolescent bldg.
Dupont	Need for space for expansion	Obsolescent bldg.

* Several equally weighted major reasons where no second major reason mentioned.

** Includes only Manufacturers west of Don River. (Source: see Table 30)

*** Excludes Manufacturers west of Don River.

A striking feature common to all Industrial Areas and the survey Areas - in fact, the whole City of Toronto - is the moving industrial firms' need for space for expansion. It was the predominant major reason for moving from locations in both survey Areas and for all but one of the Industrial Areas of the earlier study. This was the Harbour Industrial Area where it was the second major reason. This was largely due to the expropriations at that time for construction of the Gardiner Expressway, and was the major reason for the relocation of industrial firms.

PREDOMINANT MAJOR REASON FOR MOVING IN CITY INDUSTRIAL AREAS IS "NEED FOR SPACE FOR EXPANSION".

In most of the Industrial Areas of the previous study, obsolescent building was the second major reason for the intention to move from the Area.

Location Factors

Market convenience was the most often-cited major location factor among industrial firms being attracted to or remaining in the City. It was either the predominant or second major factor in every Industrial Area in the City when the previous study was made. In the survey Areas where a rating method was used, market convenience ranked first in the Bathurst-Niagara Area but third in the Duke-Duchess Area.

MARKET CONVENIENCE IS THE PREDOMINANT MAJOR LOCATION FACTOR IN THE CITY.

Established Location was another major location factor in the preceeding study being the predominant or second major location factor for the selection of the location in five of the seven Industrial Areas.

In three Industrial Areas - Don, Downtown, Parkdale - while lie along the Queen Street east-west axis of the City, market convenience was the overwhelmingly major location factor, whereas in the two outlying Areas, Junction and Dupont, and in the Harbour Industrial Area having an established location or a consideration of capital investment at the site were more important to the industries than market convenience. In the latter three Areas, however, market convenience was a close second. In the East Toronto Industrial Area, market convenience was a distant second to established location as the major location factor.

The Bathurst-Niagara Area and the Downtown and Parkdale Industrial Areas to which it is physically related, showed market convenience as the predominant major location factor. However, the Duke-Duchess Area rated labour pool as the most important consideration, although in the earlier study market convenience had proved to be most important in the Don and Downtown Industrial Areas. The growth of service industries in the Duke-Duchess Area depends greatly on the availability of skilled labour which is the probable reason for the apparent discrepancy between the two studies.

T A B L E 32

MAJOR LOCATION FACTORS

Survey Area or Industrial Area	Predominant Major Location Factor	Second Major Location Factor	Third Major Location Factor
Duke-Duchess Area *	Labour Pool	Capital Investment	Market Convenience
Bathurst-Niagara Area *	Market Convenience	Labour Pool	Capital Investment
Don **	Market Convenience	Labour Pool	Materials
Don ***	Market Convenience	Capital Investment	Low Cost of Land and Building
East Toronto	Established Location	Market Convenience	Suitable Building
Parkdale	Market Convenience	Established Location	Low Cost of Land and Building
Harbour	Established Location	Market Convenience	Proximity to Harbour
Downtown	Market Convenience	Established Location	Materials
Junction	Capital Investment	Market Convenience	Low Cost of Land and Building
Dupont	Established Location	Market Convenience	Labour Pool

* Based on Ranking of Location Factors (see Table 9).

** Includes only Manufacturers west of Don River (Source: see Table 30).

*** Excludes Manufacturers west of Don River .

Vacancy Rates

T A B L E 33

1961 FLOOR AREA VACANCY RATES

Industrial Area	Manufacturing *			Wholesale & Service **		
	Total Floor Area Sq.Ft.	Vacant Floor Area Sq. Ft.	% Vacancy	Total Floor Area Sq.Ft.	Vacant Floor Area Sq. Ft.	% Vacancy
Don	3,768,000	95,000	2.5%	2,123,000	56,000	2.6%
East Toronto	289,000	13,000	4.5	1,194,000	92,000	7.7
Parkdale	5,545,000	290,000	5.2	3,599,000	149,000	4.1
Harbour	3,577,000	67,000	1.9	6,856,000	150,000	2.2
Downtown	7,328,000	652,000	8.9	5,219,000	331,000	6.4
Junction	6,130,000	97,000	1.6	2,588,000	20,000	0.8
Dupont	956,000	55,000	5.8	937,000	61,000	6.6
Total	27,593,000	1,269,000	4.6%	22,516,000	859,000	3.8%

* For buildings in which predominant use was Manufacturing.

** For buildings in which predominant use was either Wholesale, warehouse, truck depot or contractor. Does not include motor vehicle repair use.

Table 33 shows the 1961 industrial floor area vacancy rates, compiled according to the predominant use in each building. The vacancy rate for each Industrial Area in the City was calculated from 1961 land use records of the City of Toronto Planning Board.

INDUSTRIAL VACANCY RATE IN CITY IS NORMAL.

The overall vacancy rate of 4.6% for the manufacturing industries and 3.8% for the wholesale industries and part of the service industries may be considered normal. Several Industrial Areas - Downtown, Dupont, East Toronto - had slightly higher vacancy rates. In turn, these Areas had specific sub-areas with even higher vacancy rates. However, in most of these sub-areas, the absolute amount of vacant floor space was relatively small and not significant.

The Downtown Industrial Area had an 8.9% vacancy rate for the manufacturing industries and 6.4% for the wholesale industries and part of the service industries. In absolute terms, these were substantial amounting to 652,000 square feet and 331,000 square feet respectively. The sub-area with the greatest manufacturing vacancy rate (20% vacancy) occurred in Census Tract 76, bounded by Yonge Street and Jarvis Street between Front Street and Queen Street-though this represented only 75,000 square feet of floor space. The largest amount of vacant floor area (382,000 square feet) occurred in the sub-area bounded by Bathurst Street and University Avenue between Front Street and Queen Street.

HIGHEST INDUSTRIAL VACANCY RATE IN DOWNTOWN INDUSTRIAL AREA. (APPROX. 8%)

Most of the wholesale and service vacancy occurred in a sub-area between the above two sub-areas - 198,000 square feet of vacant floor space in the area bounded by University Avenue and Yonge Street between Front Street and Queen Street.

As mentioned elsewhere in this report, the downtown is an indispensable "birthplace" and "incubator" area for new industrial firms requiring relatively small floor area per firm. Vacant space to accommodate these newly established firms should be available at all times. Thus, a higher vacancy rate in the Downtown Industrial Area affords greater plant selection to a prospective new firm.

One of the main reasons for a higher vacancy rate in the Downtown Industrial Area is the fact that much of the Area adjoins the commercial and financial core of the City. An analysis of the sub-area with the greatest vacant manufacturing floor area (Bathurst Street - University Avenue - Front Street - Queen Street) indicated that the highest vacancy rates were to be found in the blocks adjacent to the downtown financial core and to the major commercial strips on Queen Street. This is a transitional area in which the lower valued industrial buildings are in the process of being replaced by higher priced commercial and office uses.

CHAPTER VII

CONCLUSIONS AND FORECAST

LACK OF NEW INDUSTRIAL CONSTRUCTION HAS BEEN A CAUSE, RATHER THAN A RESULT, OF INDUSTRIAL FIRMS MOVING TO SUBURBS.

Industrial movement from the downtown and other City areas to the suburbs can not correctly be used to gauge the City's industrial health. The study has shown that the City, and downtown in particular, remains industrially sound despite this movement. A majority of firms moving to the suburbs were forced to do so in search of space for expansion made necessary by their growth in the City. Ironically enough, success in a City location has caused the move to the suburbs. Physical obsolescence of industrial buildings and facilities has also contributed to the need for new space. Several environmental conditions in the City have been considered objectionable by some of the firms; but these conditions, by themselves, have not been serious enough to induce firms to relocate. Usually, the need for space for expansion triggered a firm's move.

Since little new industrial construction has taken place in the City, and especially in the downtown area, firms have been forced to look outside the City for space to meet their needs. Thus lack of new industrial construction in the City has been a cause rather than, as commonly believed, the result of movement to the suburbs.

The downtown is vital to the industrial development cycle. The first two steps in an industrial firm's life cycle - establishment and primary growth very often occur downtown where a multitude of facilities and services are available to nurture the new firms. The downtown area fulfills the functions of "birthplace" and "incubator" of industrial firms more successfully than any other area.

Kind of Industrial Floor Area Needed

NEW INDUSTRIAL SPACE NEEDED IN CITY SHOULD MEET CERTAIN SPECIFICATIONS.

Analysis of the reasons for industrial firms moving from one location to another provides the basis for a description of the kind of industrial space required in the future in the City, and in the downtown area in particular.

1. Floor areas should be large - large enough to accommodate growth of small-size firms. Since an overwhelming majority of firms consider a one-floor operation more economical, it is essential that future industrial buildings have large floor areas in single or multi-storey structures with appropriate physical and leasing arrangements to permit plants to expand when needed to larger units.

2. Loading bays and appurtenances should be designed, constructed and operated to permit fast, safe and economical loading and unloading of all truck and trailer sizes.

3. Vehicular access from street to loading bays should be made safe and easy by correct orientation of building on site and by approach lane design.

4. Adequate off-street parking space for employees' and customers' automobiles and for waiting freight trucks should be provided adjacent to the industrial building.

5. Industrial buildings should be architecturally successful and well-maintained.

6. New downtown industrial building space should be available at a rental of approximately $1.00 with a maximum upper limit of $1.50 per square foot per year. (This includes heat, real estate taxes and insurance).

7. In order to provide the above facilities at such a rental, yet remain economically feasible, an industrial building would have to be a multi-storey structure, particularly downtown where land costs are high. In such a structure, fast, large freight elevators would be necessary for efficient vertical movement of goods. Detailed economic feasibility studies of multi-storey industrial buildings will be made in the forthcoming Harbour West Planning District Appraisal report.

Quantity of New Industrial Floor Area

Based upon the results and conclusions reached in the study of present and former industrial firms in the Duke-Duchess and Bathurst-Niagara Areas, a method has been devised to forecast the future yearly demand for new industrial floor area in the City of Toronto.

As mentioned elsewhere in this report, industrial movement consisted of three types -
1. newly established firms locating in the City
2. movement from a City location to another City location
3. movement from a City location to a suburban or outside Metro location.

It is assumed that the demand for industrial space for the first two types has been met by the existing supply of buildings, since little industrial construction has occurred in the City in past years. For developing a forecasting technique, it is also assumed that the future demand of newly established firms and firms moving within the City will continue to be met in a similar manner, and

that the future industrial vacancy rates will remain near their present levels.

The third type of industrial movement - from a City location to a suburban or outside Metro location - becomes the source of potential demand for future new industrial floor area in the City. If part or all of this industrial movement could be re-directed to City locations, there would be need for new industrial floor area. Analysis of reasons for firms moving out of the City indicates that new industrial space of the kind described previously could attract a substantial number of the firms intending to move out of the City. Thus, forecasting the size of this redirected movement is based upon the assumption that the newly constructed City industrial space would meet the size and other requirements of the firms intending to relocate.

Table 23 shows that 52% of the identified firms in the Duke-Duchess and Bathurst-Niagara Areas moved from the Areas during the 1953-1962 period. Table 24 indicates that 36% of the firms moving, left the City. Thus 19% (52% x 36%) of all firms in these Areas moved out of the City during the 1953-1962 period. Assuming a constant rate of exodus during the ten-year period, the yearly rate equals approximately 1.9% per year.

As has been shown several times in this report, the predominant major reason for firms moving from one location to another is the need for space for expansion. For calculation purposes, it is assumed that half of the firms might have remained in the City if satisfactory larger plant units had been found, but left primarily because none were available. (This may be considered a conservative estimate). Therefore, approximately 1% (1.9%/2) of firms in the survey Areas left the City each year during the 1953-1962 period because suitable space was not available.

At this stage a major assumption in this forecast method is that a similar 1% of the firms in the survey Areas and also in the other Industrial Areas of the City will continue to move each year in the future to the suburbs or outside Metro if new efficient industrial space is not constructed in the City.

In translating 1% of the firms into the amount of floor space required by these firms the following factors must be considered:

(a) The average floor area of the industrial firms moving is less than the average of all industrial firms. Therefore, 1% of the City's firms (i.e., about half the firms moving to the suburbs each year) represent less than 1% of the City's occupied industrial floor area.

(b) On the other hand, as the need for space for expansion is the prime motivation for relocating, it implies a larger future floor area will be required for the relocating firms than they presently occupy.

It is safe to assume that the future increase in floor area would be approximately equivalent to the amount by which the moving firms are below the floor size average of all firms and that the factors tend to cancel each other out. Thus, it follows that the 1% of the firms, though representing less than 1% of the occupied floor area, would need a future floor area equal to 1% of the occupied floor area.

Therefore, the forecast figure for new industrial floor area needed every year in the City of Toronto is equal to approximately one per cent of the City's occupied industrial floor area. In view of the many assumptions made in the development of a forecast figure a range of probable demand as shown in Table 34 would be more appropriate.

T A B L E 34

NEW INDUSTRIAL FLOOR AREA REQUIRED YEARLY *

1961 Occupied Industrial Floor Area in City ** Sq. Ft.	New Industrial Floor Area Required *** Sq. Ft. per year		
	Low	1% of 1961 Occupied Floor Area	High
50,109,000	360,000	500,000	590,000

* New floor area of kind described on page for existing firms that would otherwise move out of city. Does not include floor area for any possible major new establishments.

** For buildings in which predominant use was either Manufacturing, Wholesale, warehouse, truck depot or contractor. Does not include motor vehicle repair.

*** For Manufacturing, Wholesale & Service Industries excluding motor vehicle repair.

It must be stressed that the forecast range of 360,000 square feet to 590,000 square feet for new industrial floor area required yearly in the City would only provide space for existing City firms that would otherwise move out of the City in search of suitable facilities. The forecast range does not include space for any new firms that might be attracted to establish in the City by the construction of modern multi-storey industrial buildings or for other considerations. At present, no statistical data and techniques are available to forecast the possible future space demands arising in this way.

The figures do not include space for firms displaced by the expansion of office and commercial uses, such as has occurred on Wellington Street West in the construction of the Toronto-Dominion Centre, or by the construction of expressways, or by the removal of non-conforming industrial uses from residential zones. Therefore, the forecast range is likely to be conservative.

Although there would be between 360,000 square feet to 590,000 square feet of new industrial floor area required yearly in the City, the actual quantity to be constructed each year would depend upon the number of large industrial buildings that might be abandoned in the future as a result of company reorganization, and capable of being converted into modern multi-storey industrial buildings meeting the specifications mentioned previously in this chapter. For example, the former Canadian Westinghouse Co. six-storey building at King Street West and Peter Street was converted several years ago into a multi-tenant industrial building. Presumably, some of its new tenants would have moved to the suburbs had this space not been placed on the market. Should other similar successful conversions to multi-tenant industrial buildings occur in the future, their floor area should be deducted from the forecast range to ascertain the industrial floor area to be added by new construction.

Distribution of New Industrial Floor Area

Lack of uniformity in the potential of the City's Industrial Areas precludes a uniform distribution of the forecast for new industrial floor area. In addition, multi-storey industrial buildings with large total floor areas require large sites limited in number. Conceivably, one building could supply all the City's new industrial requirements for one year. Therefore, distribution of this new industrial space will be limited to selected large parcels of land (or assembled parcels) which meet the requirements of the type of building proposed and satisfy major industrial location factors.

Identification of Suitable Industrial Areas

The criteria for selecting suitable industrial areas would include the following:

1. It should be one that existing firms find conveniently located to their markets, indicating that new firms would also find it suitable in this regard.

2. A successful area would have a high proportion of youthful, newly established firms.

3. It should have a low vacancy rate in existing industrial buildings, unless the vacancy rate were due to extraneous non-industrial factors, such as high demand by competing office and commercial uses or buildings in extremely poor condition.

4. The successful industrial area should also be sufficiently large to contain a concentration of firms and floor space that permits of "external economies". That is, enough industrial and commercial services to allow ready access by small and medium-sized firms to those specialized services that enable them to compete more effectively with larger firms.

By these criteria the East Toronto and Dupont Industrial Areas seem least likely to be suitable locations for new industrial floor space. They are small, with only 1.5 million square feet of industrial floor area in East Toronto and 1.9 million square feet in the Dupont Area, and in both cases scattered along rail lines. They have the lowest percentage of new firms of any Industrial Areas, only 38% of the firms in both Areas located there between 1951 and 1960.

The principal location factor mentioned by firms in both these Areas was established location, indicating that firms were tied there by capital investment rather than by ease in supplying markets or obtaining labour. Finally, they ranked first and second in rate of vacancy in wholesale and service floor area, and second and third in vacancy in manufacturing floor area, exceeded only by the Downtown Industrial Area where special conditions of office and commercial expansion occur.

PARKDALE, DOWNTOWN, DON AND HARBOUR INDUSTRIAL AREAS SUITABLE FOR NEW INDUSTRIAL SPACE.

New industrial floor space could be successfully absorbed in the amounts indicated in the City's remaining Industrial Areas. The Parkdale, Downtown, Don and Harbour Areas can be considered to be essentially one major industrial sector, grouped along the Queen Street axis to the east and west of the central business district. It could be expected to absorb about 80% - 90% of the anticipated annual demand for new industrial space meeting the seven specifications mentioned previously in this chapter. The Junction Area, the second major industrial section in the City, could be expected to absorb the remainder.